THE FINANCIAL POST
The Canadian Newspaper for Businessmen and Investors
Largest Circulation of All Canadian Financial Papers
Vol. XXXII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, NOVEMBER 12, 1938 10c a Copy; $5.00 a Year No. 46

The Nation's Business

Elimination of Waste Would Aid Taxpayer

IT IS time Canadians did some crystal-gazing to see what the future holds for them in the way of taxation.

If the crystal be studied carefully, it will reveal a none-too-pleasant picture. It will show that government expenditures are rising and that unless relief is found in other ways, higher taxes are inevitable.

Canada now carries an intolerable tax load. It includes almost every variety of taxation possible. Yet most governments are looking for new sources of revenue. They are spending considerably more than they collect.

The Dominion Government's budget is still unbalanced. Most of the provinces are reporting substantial deficits when relief costs are included. Many municipalities are in the same position. On an over-all basis, nearly all governmental budgets — Dominion, provincial and municipal—are out of balance.

* * *

ONE reason is that new needs are constantly appearing. Ottawa, for example, has underwritten the western wheat crop out of public purse. This alone may cost Canada $40 or $50 millions. Expenditures for defense purposes are to be increased; unemployment insurance is again under consideration. Provinces and municipalities are anxious to catch up with social and public works which have been postponed during the depression.

Where is the money to be found? With a Dominion election in prospect next year, it will be a miracle if the Federal Government permits taxation to be increased to any considerable degree. The probability is that it will offer lower rather than higher taxes as a sop to the electorate.

The obvious alternative is to eliminate the waste in present government operations. Courageous leadership in handling relief and railway problems alone would more than clear the way for rising costs—would permit badly needed sinking funds to be set up; would open the road for debt and tax reduction.

Once the Government tackled these two most glaring avenues of public waste it would find scores of profitable ways to save money and increase the national income. It would find public opinion ready to be led—once political leadership pointed the way rather than let itself be content to drift and follow.

* * *

Unfair Criticism Of Plane Plan

COMPELLING of attention to Canada is the critical review in The London Times trade and engineering supplement for October, of this country's plans for producing military aircraft for Great Britain.

The objection of The Times aeronautical correspondent is twofold. He alleges that too great a stress has been laid on organization and financing of the Canadian plan. He contends that neglect of the engineering side of the project is dangerous in view of the comparative inexperience of Canadian firms in making military aircraft.

"Banking control is not likely to help much in easing the manufacturing companies into the unfamiliar processes of military aircraft engineering. As far as can be seen, only two of the companies represented on the board of the central company have had any experience in making military aeroplanes."

Reference is made to the Canadian Government orders to Canadian Vickers Ltd. (flying boats), and Fairchild Aircraft (Bristol bombers). Mention is made that production is about to begin by the National Steel Car Corp. of Westland army planes for the R.C.A.F., its first air order. The article then proceeds to say:

"Except Fleet Aircraft Ltd., none of the others has ever built aircraft . . . In any case, the majority of the firms which have agreed to make aircraft will be undertaking unfamiliar work."

* * *

THE TIMES has apparently been misinformed as to its facts.

It is incorrect to say that only four of the nine companies represented on the central company board have ever built aircraft. It is also at variance with the facts to state that only two of the firms have had experience in building military aircraft.

In addition to the companies named, both the Canadian Car & Foundry Co. and the Ottawa Car Manufacturing Co. have not only built aircraft, but military aircraft. The former has been building Grumman fighting planes for foreign export for the past year, and the latter has for some years past engaged in military aircraft production for the Canadian Government.

The Times also ignores the fact that Fleet Aircraft has produced trainers and other military machines for both Canadian use and export.

Not even mentioned is the Vancouver plant of Boeing Aircraft Co., now engaged in building reconnaissance-torpedo bombing planes for the R.C.A.F., and slated for British

(Continued on page 2, col. 4)

Hydro Pacts Boost Income Quebec Firms

Ontario Takes 98,000 h.p. at Cost of $1 Million on November 1

HELPS 3 OPERATORS

From Our Own Correspondent

MONTREAL.—Three of the four Quebec power operators under contract with the Hydro-Electric Power Commission of Ontario increased their deliveries to Hydro by 98,000 h.p. at the beginning of the month and in turn increased their annual gross revenue by $1,058,000.

Under the terms of the revised contracts made with Ontario Hydro, Beauharnois Power Corp., Gatineau Power Co. and Maclaren-Quebec Power Co. held in reserve large blocks of power which were to be taken up by the Commission at stated periods. The contract with Ottawa Valley Power was for the full output so that deliveries remained unaffected.

The current change in the contract deliveries materially affects the financial position of the three Quebec operators. The additional revenue will boost earnings on Gatineau's common stock; put Beauharnois in a better position to cover interest charges; and, most important of all, place Maclaren-Quebec on its financial feet.

53,000 h.p. From Gatineau

At the beginning of the month Gatineau increased its deliveries of 25-cycle power to Hydro's Leaside sub-station by 35,000 h.p., bringing the total quantity up to 200,000 h.p.

At the same time Gatineau increased its deliveries of 60-cycle power to Hydro's western Ontario system by 18,000 h.p., making the total 60,000 h.p. The latter change brings the 60-cycle contract up to the full deliveries as provided under contract.

All the power now held in reserve by Gatineau for Hydro totals only 60,000 h.p., made up of 33,000 h.p. of immediate standby and 27,000 h.p. of reserve supply. On November 1 next

(Continued on page 5, col. 4)

Housing Laws Extend Scope

Loan Volume Mounts as New Areas Are Served

From Our Own Correspondent

OTTAWA—Rising volume of loans for dwelling construction under the National Housing Act and Home Improvement Plan, and notable extension of operations under the former into smaller communities and the low cost house field, are shown in bulletins issued by the Department of Finance.

Its issue coinciding with the resumption of his duties by Finance Minister Dunning, the N.H.A. bulletin has the following highlights:

1. In the past three months, making of loans was commenced in some 60 additional communities.

2. In the 250 centres in which the Act is now functioning, loans during the same three months showed an increase of 72% over the same period of 1937.

3. Of the 361 housing units financed by N.H.A. loans in October, 283, or 78%, were low cost dwellings that took loans of $4,000 or less, 139 required loans of $3,000 or less, and 84 took loans of $2,500 or less (including 19 covered by 90% mortgages).

Total of Loans

4. Cumulative total of loans under the National Housing Act (Part I) and the Dominion Housing Act of 1935 (replaced August 1 last by N.H.A.), is reported at $24,695,268 as of Oct. 31. On same date, the Home Improvement Plan rounded out its second year of operations with an aggregate of loans of $22,319,546.

5. The Finance Department estimates that the combined total of $47 millions of N.H.A.-D.H.A. and H.I.P. loans made possible a gross expenditure on house construction (including repairs but exclusive of land cost) of more than $53 millions during the past three years.

In addition to this, a substantial volume of home building and modernization has been completed without assistance under the Dominion measures.

Millions for Wages

The department accepts the frequently used estimate, that 80% of expenditures on dwelling construction and modernization goes for labor required for actual building operations and for the production and fabrication of materials. On this basis, it is estimated that the Dominion housing and home improvement legislation has facilitated the payment of wages totalling $42 millions.

The loans for new home construction have provided accommodation for 6,272 families, and the Home Improvement loans have numbered 55,820. The largest provincial total of N.H.A. loans was achieved in Ontario, where 2,988 loans have been made for a total of $11,558,753. Next in line are Quebec, $6,446,261; British Columbia, $3,579,207; and Nova Scotia, $1,710,963.

Other provincial totals are: Manitoba, $831,083; New Brunswick, $481,167; Prince Edward Island, $62,834; Saskatchewan, $25,000; Alberta, none.

The rising volume of N.H.A. loans during the past three months is shown by the following table:

National Housing Act Loans

	1938	1937	% Increase
August ..	$1,031,404	$768,596	34
September	1,240,695	552,450	124
October ..	1,269,009	741,498	71
Total ..	$3,541,108	$2,062,544	72

Putting Idle to Work Test of Leadership

Idleness and unemployment never made a nation great. Today in Canada they are our biggest single weakness. Through them, money and manpower are being pitiably wasted.

Is it because Canadian political leaders are incompetent to stop this No. 1 Public Waste—or are they just indifferent to it?

There can be no real prosperity until this problem is solved. Our greatness depends upon our ability to put our people to work. But until direction replaces drift, and leadership replaces apathy and indifference, this waste of idle men will continue.

Eight years ago Rt. Hon. R. B. Bennett called an emergency session of Parliament to deal with the crisis of unemployment. Since that time hundreds of pages of Royal Commission advice have been given; millions of parliamentary words spoken; a billion dollars of public funds spent (mostly to pay people not to work).

Wastage of Lives and Wealth

The net result is ghastly shambles—a continuing wastage of human lives and national wealth comparable only with the destruction and wastage of war. All the emphasis is on "Relief." The very word implies a palliative in place of a cure.

The weakest link in this chain of weak links, this chain of failure and inaction, is political leadership.

Employment figures show that industrial enterprise has done what it could to create new jobs and restore old ones. It has done a commendable job against the obstacles of wasteful governmental expenditures and lack of vision in public affairs.

Latest figures show the number of wage-earners at work almost equals the total in the same month of 1930—the pre-depression peak. But the population has increased. Boys who were 10 years old in 1930 are men of 18 today, and they want a chance to serve Canada.

Mr. King won an election on a policy of employment as a substitute for unemployment. In 1935 Mr. King said that providing employment was the nation's No. 1 problem. It was so serious and vital a need that the Prime Minister sought the aid of a representative commission to help work out the problem.

Demanded Action

The Commission took its task seriously. It demanded and recommended action. It made two-score specific recommendations for solving unemployment; for creating jobs.

It embarrassed the Government to have someone present it with a programme. A programme was something suggesting action. Mr. King—the leader of the nation, the captain of our ship of state—preferred to let the ship drift in still waters instead of steering it, against the storm, toward the harbor of national greatness. When the Commission in July, 1937, published its interim report, it showed that the Government had ignored or shelved most of its plans to eliminate public waste and reduce idleness.

The Prime Minister early lost interest in ending this national waste of idleness. True, the Commission was allowed to continue its findings and make a final report, but no steps were taken to clothe the Commission with administrative powers such as were permitted to it by statute.

The one exception to this was the Home Improvement Campaign which the Commission organized with distinguished success. This campaign in 20 months rolled up a direct volume of over $20 millions of new business; stimulated many times that amount indirectly. It was a striking example of a co-ordinated national effort which should have served as a model for solving idleness and unemployment along every front.

Made to Feel Unwelcome

The Commission was made to realize that policies of action were unwelcome at Ottawa. Its report when completed (at a cost of $300,000) was quickly placed in the archives. It would be interesting to know how many of our political leaders ever read it through.

One prominent Canadian told The Post:

> "It is tragic to see the blithe indifference with which the recommendations of the National Employment Commission are being treated. I do not think it would be overstating the case to say that in some official quarters the chief interest seems to lie in how quickly and completely all memories of the Commission and its work can be obliterated."

If this be true—and Ottawa's attitude suggests that—it is a damning indictment of Canadian political leadership.

The plans outlined by the Commission to put Canadians back to work and eliminate public waste in relief and idleness are about the only plans this country has yet formulated to attack the problem at its roots on a co-ordinated national basis. Furthermore, they are good plans. But they have been almost entirely ignored or toyed with.

Specific items included are:

1. A plan for restoring the morale, physique and skill of the unemployed.
2. A plan for a "co-ordinated national effort" to stimulate tourist trade.
3. Plans for a nation-wide youth-training programme.
4. Plans for a modernized Canadian employment service.
5. Plans for a separate women's labor and employment organization.
6. Plans for rehabilitation of unemployed through organized land settlement.
7. Plans for correlating public works to prevent waste and overlapping.
8. Plans to stimulate housing and construction on a nation-wide scale.
9. Plans for effective supervision of public relief expenditures.
10. Plans for a small administrative committee to see that these jobs were done.

Failure Due to Lack of Leadership

In concluding its report, the Commission prophesied:

> **". . . to leave this work in the hands of officials already overburdened with their regular duties is to ensure a failure to solve this most urgent phase of national problems."**

Had Ottawa taken immediate steps to follow the advice it was given, had men of ability and vision been clothed with authority to give this leadership, success could hardly have been avoided. The achievement in those few areas where leadership was given proves this conclusively.

As it is, drift continues as the basis of national policy. The prospect of hundreds of thousands of idle or untrained men and women finding happiness and strength in useful work has been indefinitely postponed.

Mr. King should conscript for national service the best leadership he can find in the Dominion and put it to work on this task. Every day in the doldrums of lazy inactivity means waste of opportunity, waste of manpower, waste of public funds

Public opinion in Canada is tired of drift; it would welcome leadership and direction from its Prime Minister. Policies of action would bring enthusiasm, imagination and ability to this great national task. The plans are there; the work is waiting to be done. What is required is a government that will lead—not follow.

Highlights of the Week

There are major jobs to be done in Canada and plenty of workers ready to do them. But lack of leadership has left the jobs undone and unplanned, while thousands of Canadians stagnate in subsidized idleness. Means by which this national frustration could be overcome are suggested in a special analysis of the situation facing Canada today.

Waste and Inaction—p. 15.

* * *

Government wheat loss so far this season is estimated at close to $10 millions and at least three quarters of crop still to be sold.

Government Wheat Loss—p. 19.

* * *

Was Chamberlain grandstanding when he made his famous speech culminating in announcement of Hitler's bid to the Munich peace parley? The events leading up to the historic break of the Czech crisis are analyzed by Floyd S. Chalmers, editor of The Financial Post, to show that Mr. Chamberlain had reason to hope for settlement, but did not receive the invitation to the peace conference until near the end of his speech.

Chamberlain Hopeful—p. 11.

* * *

One of the major units in Canada's important newsprint industry is Price Brothers & Co. After sharing the chaotic difficulties that descended on the industry during depression years, the company was reorganized on a strong financial basis. Its present position and future prospects are analyzed in the third of the Market Leaders series currently appearing in The Financial post.

Profits on Paper—P. 17.

REGULAR FEATURES

Banking	9
Bond Markets	5
Commodities	19
Construction	15
Editorial	6
Insurance	21
Investment Trends	4
Investors' Enquiries	16
Market Opinions	4
Pulp and Paper	17
Week in Business	7
Week in Mining	23
Week in Oils	23
Week in Wheat	19

Fam. Players Is Expecting Higher Profit

Canadian Motion Picture Business Picks Up in Latter Part of Year

BELOW OLD LEVELS

With the present rate of improvement continuing through the remainder of the year, it is expected that profits of Famous Players Canadian Corp. will be slightly better than last year.

In line with most companies, Famous Players experienced a comeback from depression levels in 1937, which continued into the current year. A decline in attendance was felt in the greater part of 1938, but the tide has now turned and the company is looking for a better year. In 1937, net profit amounted to $865,731, equivalent to earnings of $2.12 on the common shares.

149 Theatres

The company, by far the largest exhibitor of films in the Dominion, was formed in 1920. At the end of 1937 the organization leased, owned or controlled 149 theatres, with a seating capacity of 169,781. In addition a 50% interest or less was held in 102 theatres, with a total seating capacity of 79,788. These figures have been increased in the present year.

Greatest productive areas are concentrated in Montreal and Toronto, and while the down-town theatres are the show places of the business, the neighborhood houses are the bread and butter of the organization.

The exhibition and distribution of films are the important divisions of the moving pictures industry in Canada. The producing business is relatively unimportant, being confined to the production of occasional short films, advertising "trailers" and news events for inclusion in the regular news features.

Despite the better showing of the company in 1937, earnings have not approached pre-depression levels. In addition to expensive innovations found necessary in buildings, it is pointed out that admission prices and total attendance figures have not reached the figures that were common before 1932. Admission prices have decreased 25% to 30% and it is stated that 75% of the theatres in Ontario charge 25 cents or less.

Taxation Heavy

Taxes have proved particularly burdensome and any upward revision at this time would present serious problems to the organization. No large-scale improvement is looked for in the immediate future.

On June 1, 1935, the Ontario Government increased the amusement tax on theatre admissions. The tax was subsequently reduced and eventually eliminated, but the air of doubt surrounding the issue has not yet dissipated. Recent agitation to restore the tax recalls the experience of operators in the taxation period, when the industry claimed attendance figures were reduced. The fact that complete restoration of prices to former levels was not made is explained by higher costs of operations.

In 1937 Famous Players Corp. started on a large modernization plan.

(Continued on page 2, col. 6)

Fiscal Reform Party Mooted

Herridge May Fuse Social Credit With Leftists

From Our Own Correspondent

EDMONTON. — Political significance is seen in the recent visit here of Hon. W. D. Herridge, already talked of as leader of a new monetary reform party which would provide common meeting ground for Social Crediters, the C.C.F. and other leftist groups.

The new party, which would be nation-wide in scope, received the official blessing of Premier William Aberhart this week when he publicly promised his support if Mr. Herridge raises the monetary reform banner.

A survey just completed in the three western provinces gives leaders here ground for their view that the time is ripe to attempt a union of leftist forces. Reports from Ontario and Quebec indicate support. In fact Social Credit sources here have been assured that there are more Social Crediters in Quebec than there are in Alberta.

If a union can be negotiated one of the first steps will be to force an election in Manitoba where the Bracken Government owes its existence to the support of Six Social Credit members. Manitoba would provide a first test of strength.

But before any real move could be made toward uniting Social Credit and C.C.F. forces in Alberta, Premier William Aberhart would have to be dropped. This difficulty, it is argued, could be overcome by convincing Mr. Aberhart that he had shown the leadership necessary to have brought a national party into being and could now retire at the peak of his power. Aims of the C.C.F. and Social Credit could then be brought into line.

It is now felt here that had Mr. Aberhart stayed out of the Saskatchewan election the C.C.F. would have elected the largest group. The loss of prestige Mr. Aberhart suffered in that election and the gains made by the C.C.F., are responsible for negotiations reported to be quietly going on between sections of both parties.

Ontario Delivers Ultimatum To Great Lakes to Pro-rate

Demands Observance of Agreement in Paper Industry — Company Says Compliance Means Breach of Contract

Great Lakes Paper Co. has been served notice by the Ontario Government requiring the company to abide by the prorationing agreements in effect in the Canadian newsprint industry.

The company's answer is that Great Lakes Paper Co. is not in a position to prorate without violating its contracts for the sale of newsprint.

Discussions are still going on hoping for a solution of the difficulty. Definite word is awaited from the Government on what action it proposes to take if Great Lakes finally decides that prorating is something that it cannot do, or that is not in the interests of the company to carry out.

It is also understood that one phase of negotiations between Great Lakes and the province is for a consolidation of the company's timber limits.

Apparently, Great Lakes Paper can either accept the order or fight it. It is believed, however, that if the decision is to accept, C. H. Carlisle will not remain as president.

Rumor of Disagreement

Rumors have been current for some time that all was not well between Great Lakes and the Hepburn Government. Both bonds and shares of Great Lakes have been acting contrary to recent trends in newsprint securities. At 84 bid on Nov. 8, the 5% bonds were down five points in the past week. In the same period Abitibi 5% bonds have dropped about one point and Consolidated Paper bonds are down about 1½ points. Much the same trend has been shown by the preferred and common shares of Great Lakes.

Just what being forced to prorate is going to mean to Great Lakes, assuming that this is what happens, is hard to foretell. But the company has consistently been able to maintain a higher operating ratio than has the Canadian newsprint industry as a whole. Last year production was 112,656 tons of newsprint from a mill originally rated at 100,000 tons annually. The company did not escape the collapse in the newsprint market this year and for the first six months reported a decline of 32% from the level a year earlier. But the industry as a whole dropped 38% in this period. The 32% drop for Great Lakes would still leave it operating far above the average for the whole industry.

How Prorating Works

The latest developments bring the whole prorationing scheme out into the open. At present it takes in the entire industry from coast to coast and has the strong support of the Hepburn and Duplessis Governments in Ontario and Quebec. It is sponsored by the Newsprint Association of Canada which was organized in 1934 when the price of newsprint had fallen to $40 a ton and mill operations to about 30% of capacity.

The basic principle is that no mill is supposed to operate at a percentage greater than the average for the industry as a whole. A mill that gets ahead is expected to transfer tonnage to one that is running behind. The scheme is supported by certain of the mills themselves, particularly those short of orders, by Ontario and Quebec Governments, by investors and banks. The provincial governments of British Columbia, New Brunswick, Nova Scotia and Manitoba have taken no active part but mills in these provinces have been party to the scheme.

Apparently the only important newsprint mills that have not adhered to the prorationing scheme have been Ontario Paper Co., which is owned by the Chicago Tribune and the N. Y. News, and Great Lakes. Ontario Paper Co. co-operated prior to the opening of the new mill at Baie Comeau, since which time it has been running at capacity.

Ontario Powers

Power of the Ontario Government to enforce regulations on the pulp and paper industry is given by Bill No. 90, entitled An Act to Regulate the Forest Resources of the Province of Ontario and passed in 1936. After stating the control which the province can exercise over Crown lands

(Continued on page 2, col. 5)

New Trade Treaty Ready This Month

From Our Own Correspondent

OTTAWA.—November 24 is the earliest date now predicted for the signing of the Canadian-American Trade Treaty, while there is general expectation that it will not be later than the end of the month.

Prime Minister Mackenzie King this week announced that negotiations were "in the final stages." Mr. King will go to Washington to sign for Canada, while Cordell Hull, as in the 1936 agreement, will sign for the United States.

Delay in the completion of this treaty has led to discarding previous plans for calling Parliament before the end of the year. It is now expected that the opening will take place during the first or second week of January. Consideration of the trade treaty will be the first order of business.

Bren Evidence Is Concluded

Wind-up Testimony Sheds Light on Contract Negotiations

From Our Own Correspondent

OTTAWA.—At the conclusion of evidence this week in the Bren machine gun enquiry, Mr. Justice Davis focused spotlight of attention on the drafting of both Canadian and British contracts with the John Inglis Co.

Closely questioning Col. R. J. Orde, Judge Advocate General, who had drafted and redrafted these contracts under instructions from the defence department, His Lordship produced a picture of the proceedings which included the following highlights:

1. A clause giving the John Inglis Co. exclusive license for the manufacture of Bren guns in Canada had been carried in all earlier drafts of the contract, and had been deleted only at the instance of the interdepartmental committee. Col. Orde testified that he "never liked" the clause but was acting on instructions.

2. The clause providing for arbitration in the case of disagreement had been inserted without any consideration being given to possible disadvantages to the Government.

Ignorant of Financing

3. Col. Orde, the Canadian Government's sole legal representative in the deal, had never been told the share set-up of the Inglis Co. and had been under the impression that the president, Major James E. Hahn, held virtually all the shares.

4. No consideration had been given in the department to safeguard against manipulation of the stock or to the possibility of control being acquired by foreign interests.

5. The British contract had been drafted concurrently with the Canadian contract and had been then handed to Major Hahn, what he did with it after that was "his own business," Col Orde told His Lordship.

Col. Orde explained that the two contracts had been originally drafted after numerous conferences with Major Hahn and after the general set-up had been approved by Gen. L. R. La Fleche, deputy minister of national defence. The first drafts had been completed on Nov. 22, 1937, but revisions had been made on Dec. 22 before it had been submitted to the interdepartmental committee. A complete redraft had been made on

(Continued on page 2, col. 3)

Blackout Over Geneva

The most acute of the post-war crises in Europe came and went without intervention by that shackled guardian of peace—the League of Nations.

Statesmen, flying the air-trails of Europe in search of settlement, never spared a side-glance for the impressive white League Palace at Geneva where the Nineteenth Assembly of the League was sitting in forlorn, forgotten session.

Where stands the League today? How can the fat of influence be restored to the bare bones of Versailles' great ideal?

Floyd S. Chalmers, editor of The Financial Post, spent a week at Geneva during the recent League Assembly, and in the midst of the great crisis. He is writing a series of articles on the League which will begin in the next issue.

The articles will discuss the League at work, the reasons for its declining influence, the efficiency of its far-flung "technical" services, and current plans for "reforming" the League.

Dominion Sells Bonds in N. Y.

The Dominion of Canada has sold a $40 millions, 3%, 30-year loan in New York. Proceeds will be used to retire the same amount of 2% treasury notes which mature in New York on Jan. 1, 1939. The registration statement was filed on Nov. 9, 1938.

A syndicate headed by Morgan, Stanley & Co. is handling the issue for the Canadian Government.

Asbestos Corp. Bond Debt Cut

Dec. 31 Bonus of $1.50 a Share to be Paid

Funded debt of Asbestos Corp. has been reduced to $500,000 as at Sept. 30, 1938. This leaves only that amount of the series C 4% first mortgage bonds, due July 2, 1942, outstanding.

At the end of 1937 the company had $1 million in bonds out. In February, the $125,000 of series A 3% bonds were taken up. This was followed in April by the redemption of the $125,000 of 3¼% series B bonds. In July, further redemptions brought the remaining series C 4% bonds down to $686,000. Then at the end of September more bonds were redeemed, leaving only the $500,000 of series C remaining.

Asbestos Corp. has declared the regular quarterly dividend of 50 cents a share and a bonus of $1.50 a share, payable December 31 to shareholders of record December 15. In each of the previous three quarters the company paid a regular dividend of 50 cents and a bonus of 50 cents a share. The current declaration brings the dividends for the year up to $5 a share. No payments were made last year.

Talk of a stock split continues, but so far the matter has not been passed upon by the board. Expectation is that the split will be on a four-for-one basis.

Net Debt. of B.C. Shows Small Gain

Cash Position at March 31 Was Slightly Less Favorable

Net debenture and treasury bill debt of the Province of British Columbia increased only $885,899 to $151,287,478 in the year ended Mar. 31, 1938. This is the smallest increase in net debt reported in many years.

The small increase in net debt reflects improvement in the budget position of the province which enabled it to charge most of its direct relief costs to current account. There has also been some reduction in cash held by the treasury.

The balance sheet at March 31 last shows cash of $11.9 millions, compared with $14.6 millions at Mar. 31, 1937. Of this amount, $4.6 millions was held for superannuation and pension funds, an increase of $1.3 million over 1937.

Accounts payable at the end of the 1937-38 fiscal year were somewhat lower, amounting to $7.6 millions as compared with $8.9 millions at Mar. 31, 1937. Accounts receivable were slightly higher at $6.3 millions.

Comparative debt figures are given below:

Debt Position
As at March 31

	1938 $	1937 $
Stocks and bonds ..	125,126,236	125,386,236
Mortgage	70,325	80,025
P.G.E. Rlwy. bonds	20,160,000	20,160,000
Treasury bills	39,522,623	37,395,986
Less: Sinking funds	33,591,706	32,620,668
Net debt	151,287,478	150,401,579
Sink. fund arrears..	13,254,390	10,858,636
Contingent liabs.▲ .	48,631,362	48,432,914

▲Consists of guaranteed bonds and loans; $40,157,524 are Canadian Northern Pacific bonds which to all intents and purposes have been taken over by the Dominion Government through the Canadian National Railways. Therefore, it is not likely the province will have to implement its guarantee.

Montreal to Undertake Additional Financing

From Our Own Correspondent

MONTREAL.—Additional financing may be undertaken by the city of Montreal later in the year.

Sale of a $4 millions issue first offered in July was completed recently. Additional borrowing has been authorized by the city council and it is understood the city would like to obtain a sizeable loan—possibly as much as $10 millions.

The main purpose of the loan would be to fund bank loans incurred to finance relief and maturing

MEN'S SHOP
That's just the pyjama I've been looking for!
$5.00 EACH

Huntingdon "High-Rise" Pyjamas

Extra Inches for Extra Comfort!

These NEW pyjamas were specially designed by the Men's Shop for you men who have figures that boast of additional inches . . . either in height or in girth. Their outstanding feature is the High-Rise . . . does away with that "cut-in-two" feeling! In addition the Huntingdon offers . . . Longer sleeves! More length and fullness in legs! Fullness across the back! Generously cut all through to give the wearer a roomy pyjama of real comfort. Made up in a good quality cotton broadcloth in attractive patterns.

Sizes A, B, C, and D. Suit 5.00

FREE PARKING WHILE SHOPPING
PHONE TR. 5111

MEN'S SHOP
BAY STREET SECTION

EATON'S - COLLEGE STREET

Coated Paper Factory To Operate in Toronto

A new plant for production of high-grade coated papers, including varieties now imported, will commence operations in Toronto in January. Toronto Industrial Commission this week announced that Canada Glazed Papers Ltd. has leased 25,000 square feet of floor space in the former Staunton wallpaper plant and has commenced installation of equipment, including a $40,000 vertical type coating machine. Recently incorporated under Ontario law, the new concern is capitalized at $150,000, with H. W. Weis as president and E. C. Rolph, formerly of Alliance Paper Mills Ltd., as vice-president.

Production will amount to about 1,250 tons annually of glazed papers for paper box covers, cigarette packages, label papers, and will include papers with bronze and aluminum finish.

SALESMANAGER

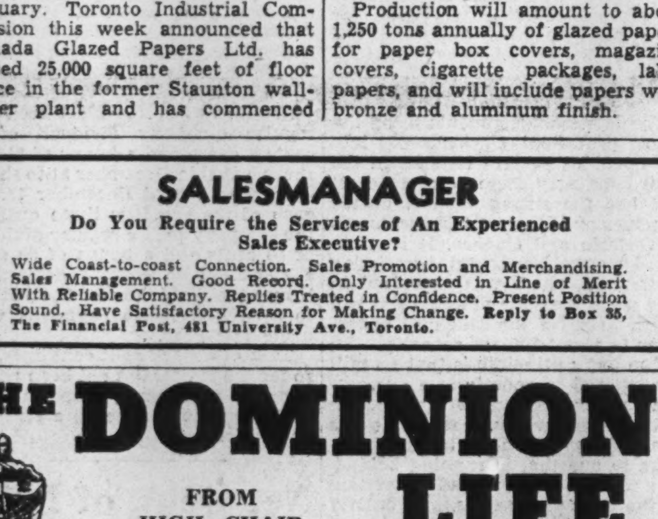
Do You Require the Services of An Experienced Sales Executive?

Wide Coast-to-coast Connection. Sales Promotion and Merchandising. Sales Management. Good Record. Only Interested in Line of Merit With Reliable Company. Replies Treated in Confidence. Present Position Sound. Have Satisfactory Reason for Making Change. Reply to Box 35, The Financial Post, 481 University Ave., Toronto.

THE DOMINION LIFE ASSURANCE COMPANY

FROM HIGH CHAIR TO EASY CHAIR

ESTABLISHED 1889 — HEAD OFFICE — WATERLOO ONTARIO



HERE and ABROAD

■ The Royal Bank serves Canadians both at home and abroad. In London, one branch of the Bank is situated across the street from The Bank of England; another just off Trafalgar Square, beside Canada House. In Paris also, there is a conveniently located branch.

These overseas offices of The Royal Bank extend to Canadian enterprise every facility, and to Canadian visitors a friendly welcome.

THE ROYAL BANK OF CANADA

"OVER 600 BRANCHES IN ALL PARTS OF CANADA"

Bren Evidence Is Concluded

(Continued from page 1)

Feb. 23, 1938, including deletion of the "exclusive license" clause.

Commissioner Curious

Commissioner Davis rose from his seat to draw the attention of the witness to this clause.

"Who told you to put it in?" he demanded.

Col. Orde replied that it had been some person in the department. He had acted entirely under instructions.

"And I want to know under whose instructions you were acting." His Lordship persisted. "By whom was it deleted?"

Witness said it had been done at a meeting of the interdepartmental committee.

Commissioner Davis: "Why certainly. Was it eliminated by anyone in the department of national defence? Where was the wisdom that did it?"

Col. Orde pointed to the fact that it had been modified in the department by providing, "that in the event of an emergency," the Government should have the right to grant other licenses.

His Lordship pointed out that he was not criticizing Col. Orde personally, adding:

"In this case you were in the position of a solicitor and acting on the advice of your clients. I am trying to find out why someone didn't jump on this clause."

Arbitration Clause

In cross-examination, the witness told Col. George A. Drew that he took his instructions from any member of the defense council but admitted that in the case of the Bren contract nothing could have been done without the knowledge of the deputy minister.

Col. Orde told the commissioner that the arbitration clause had been placed in the contract because it became standard in department contracts.

Commissioner Davis: "Is there any right of appeal in a case where two arbitrators out of the three decide against the Government?"

Witness said that as far as he knew the point had never been raised. His Lordship again impressed on the witness that he was directing no criticism against him and added: "I am testing whether anyone in the Government had ever considered the consequence of that clause."

What has become known as the "stopper" clause was drafted at the last moment in the interdepartmental committee by Fraser Elliott, K.C., in an attempt to safeguard against profiteering by sale of Inglis Co. shares.

Col. Orde said nothing of that nature had been done during the department drafting. He had in fact had nothing to do with the financial side of the Inglis picture.

Commissioner Davis: "What provision was there in the contract or in any statute which would safeguard the situation so that no shares could be held at any time by anyone but British subjects?"

Col. Orde: "I have never given that point consideration."

After the conclusion of evidence this week the enquiry was adjourned to Monday, Nov. 21, when the Commissioner will hear argument from counsel.

Names Not Revealed

As taking of evidence was winding up, it developed that the names of H. A. W. Plaxton and Gordon Plaxton, brothers of Hugh Plaxton, M.P., were not revealed to Canadian or British officials during negotiation of the contract.

The probe has also shed light on two letters written by Plaxton & Co. to the Ontario Securities Commission (June 8 and June 16, 1938) asking permission for the sale of 33,333 Inglis shares by Cameron Pointon & Merritt, Toronto stockbrokers and participants in the Inglis venture. The first of these letters stated that the company was adequately financed and "is carrying on the regular established lines of business formerly carried on by the John Inglis Co. Ltd. which averaged over $1 million for over 25 years.

Neither of these letters mentioned the original purchase price ($250,000) of the old Inglis Co. assets.

Evidence has also elicited a statement from L. A. Forsyth, associate government counsel contending that the $6,500 portion of the Plaxton & Co. legal bill could not be properly charged to the government as pre-contract expenses. H. A. W. Plaxton testified that this had been done by W. J. West, secretary of the John Inglis Co., without his knowledge.

Hahn Explains Interviews

Major James E. Hahn, president of the John Inglis Co., was among witnesses recalled to the stand this week. He was questioned by Government counsel, J. L. Ralston on the letter which he had written to Hugh Plaxton, M.P., on Feb. 18, 1937. It reported on interviews which he (Hahn) had had in Montreal with R. C. Vaughan, vice-president of the Canadian National Railways, and R. J. Magor, president of National Steel Car.

One paragraph describing his interview with Magor read:

> "He asked the possible purchase price of the (Inglis) plant and I showed him the Inglis appraisal and indicated that it would probably be acquired for one half the amount of its cost, with a possibility of a minimum of $600,000 in cash transaction."

Hugh Plaxton in previous evidence had been unable to explain why Major Hahn should have told him of an offer or suggestion from Mr. Magor for purchase of the plant.

Looking for Business

Major Hahn testified that he had visited both Vaughan and Magor in the hope of getting business from them for the Inglis plant and that he believed at the time that Hugh Plaxton could be of some assistance. Regarding the discussion of the purchase of the Inglis plant, Major Hahn said:

> "He (Magor) raised the question of the purchase of the plant in a very casual way. I often write down precise notes on such conversations and this was given in the letter to Plaxton in Ottawa from what I had in my notes."

Major Hahn termed the fact that the final payment on the agreement to purchase the old Inglis Co. had been extended to March 31, the date of the signing of the Bren contract "pure coincidence." He swore that he had intended to go on with the new business, contract or no contract.

Mr. Ralston: "You say that in getting the extension to March 31 it was not with a view to waiting to see whether or not you got the Canadian Government order?"

Major Hahn: "Absolutely not."

Quizzed by Commissioner

Commissioner Davis, at the close of the cross-examination, made mention to Major Hahn of his "excellent" war record, and of the fact that he had been an Intelligence Corps officer.

"Would not that," he asked the witness, "give you a very real sense of what a subject owed to the Crown? Perhaps more than the ordinary man on the street?"

Witness agreed and the commissioner continued:

"That being so, when you met the minister (Hon. Ian Mackenzie) in his hotel on Oct. 19 (1936) it did not occur to you to say to him: 'Of course, Mr. Minister, a firm of stockbrokers in Toronto, Cameron Pointon & Merritt, and two brothers of Hugh Plaxton, M.P., are associated with me'?"

Major Hahn said it had not occurred to him and explained that he had never considered H. A. W. Plaxton as having anything more than a small minority interest.

"At the time," he added, "the thought of Canadian munitions business did not occur to me. My whole mind was set on rehabilitating the Inglis business from a commercial aspect and the hope of getting some business in England."

Associates Not Mentioned

The Commissioner: "And any time down to the creation of the contract have you ever said to Gen. La Fleche: 'I think you ought to know that the two Plaxton brothers, of Hugh Plaxton, and Cameron Pointon and Merritt are associated in this, I gather from what you said that never occurred to you?

Major Hahn: "It did not."

The commissioner reviewed with the witness his interviews in England with Hon. Vincent Massey, Sir Thomas Inskip and Sir Harold Brown, when negotiating the British contract. He repeated his question with regard to each interview and received the same answer. Major Hahn said he didn't think that in England they would be interested in who his associates were. He had simply told Sir Harold Brown, he said, that he was re-opening the old Inglis plant.

"Did you tell him," Commissioner Davis asked, "that the time you were talking to him that you had made two payments, one in September of $500 and one on the 9th of November of $2,500?"

Major Hahn: "Once again, I didn't think they would be interested."

The Nation's Business

(Continued from page 1)

orders, though not associated in the central company.

• • •

Personnel Is Strength Not Weakness

THE TIMES'S objection to "banking control" is based chiefly on the presence of two bank presidents on the three-man board of trustees that will maintain liaison between British authorities and the central company.

But there is only one banker on the nine-man board of the company itself. Of the remaining eight firms represented, only two are non-aircraft concerns (Northern Electric and Consolidated Paper). All but one of the remaining six companies on the board have had experience producing military aircraft. The single exception (National Steel Car) is in initial stages of war plane production.

The general manager and chief executive of the operating company, Paul F. Sise, is as competent a "technical" industrialist as could be found in the country.

• • •

COLLABORATION of bankers in the Associated Aircraft plan is apparently designed to assure sound and adequate financing without the danger of stock speculation and manipulation. So far, there has been no indication that banking interests will exercise undue control over the enterprise, or that there will be inadequate supervision of the engineering and production phases of the project.

In any event, Canadian aircraft plants have demonstrated their ability to turn out both civil and military aircraft according to exacting specifications. The large size of the bombers to be built for Britain should not prevent the Canadian industry from meeting requirements. Finally the experience and standing of the non-aircraft men on the board should be reassuring rather than disquieting.

That Canada will face pitfalls and difficulties in establishing a sound and efficient war plane industry is not questioned. It is unfortunate that criticism under such responsible auspices, and based on incorrect information should be circulating in England at this time.

• • •

Restraint Needed in Diplomatic Appointments

THE last session of Parliament provided for enlarging Canada's diplomatic service to establish a joint legation for Belgium and Holland. One of Prime Minister King's earliest announcements is likely to to be that of a minister for this post. It is understood that a French-Canadian career diplomat has already been selected for the appointment.

There does not seem to be any great need for a legation in the Low Countries. There are larger countries with which Canada has commercial connections and which would be more logical choices as a location for our next diplomatic extension.

One such is Germany. The German diplomatic representative in Ottawa ranks at home as a minister but because Canada has not yet decided to send a minister to Berlin, this country recognizes him only as a consul-general.

• • •

IT IS probably true that, if Canada were to appoint a minister to Germany now, there would be an outcry from that portion of the Canadian public which is indignant at the aggressions of Hitlerism and desires no diplomatic truck or trade with the Nazi Government. But calm deliberation suggests that an exchange of ministers between Berlin and Ottawa would be more important to Canada than an exchange of ministers between Canada and Belgium—Netherlands.

Canada has been wise to keep her diplomatic service from expanding too rapidly. It is a debatable question whether we have not already gone beyond our needs. There are many nations which would willingly send ministers here if we were willing to reciprocate, but the temptation to strut on the world's diplomatic stage is one we are wise to restrain.

• • •

Mr. Gibbons's Message to Canadian Youth

WE WERE glad to see many young men in the audience which gathered at Toronto this week to pay tribute to the 40-year anniversary of John J. Gibbons, veteran advertising agency chief.

For it was to young men that Mr. Gibbons made a final, impressive appeal:

> "To the young men of today life offers much in opportunity and hope. If I have learned anything in life, I have learned this: that there is no substitute for work in achieving success, and that success is marked by other acquisitions than material things.
>
> "To have made friends on the journey to success and to keep those friends—that is my idea of true achievement. For success, I think, still depends upon such old-fashioned qualities as honesty, dependability, truthfulness and simplicity.
>
> "I believe that even in these sophisticated and modern days, the road to the top is always open to those who follow the star of sincerity."

Coming from a man who rose by his own efforts from humble beginnings to a position at the very top of his chosen profession, these words are no mere idle phrases. They are worthy of attention by hundreds of thousands of Canadian young men and women who may be tempted in this day and age to seek an easy way to fame and happiness.

Ontario Delivers Pulp Ultimatum

(Continued from page 1)

and timber limits as to area, location, size of timber to be cut and limitation as to amount, another clause of this act gives power to:

> (e) "Increase the stumpage charges payable by any company in respect of Crown timber held, owned, used or cut by such company during any period, to an amount not exceeding five times such stumpage charges where in the opinion of the Lieutenant-Governor-in-Council such company or any person or corporation employed or controlled by such company is operating or carrying on business in a manner detrimental to the public interest, either in respect of the Crown revenues, the stability of the forest products industries or the maintenance of fair wages and proper labor conditions and may require such increased stumpage charges to be paid upon demand."

There is so far no indication that the province intends to hold the threat of the penalties under this act over Great Lakes to persuade that company to agree to the prorating scheme but the power is apparently there if the government wants to use it.

Great Lakes Contracts

When Great Lakes Paper Co. was incorporated in 1936, following the reorganization of the former company, a group of some 24 publishers guaranteed to contract for a minimum of 67,500 tons of newsprint per year for a period of 10 years from Jan. 1, 1936, with the option of prolonging the contracts for a further five years to Dec. 31, 1950. As a consideration of these contracts, the publishers were allotted 100,000 class B preference shares which are held under a trust agreement until the expiration of the contracts.

These class B shares are entitled to dividends on the same annual cumulative basis of $2 a share as are the class A shares and also participate in further dividends. All dividends are received by the London & Western Trusts Co. and distributed on the basis described. The London & Western Trusts Co., trustee for the publishers, pays to them on a pro rata basis $1.25 a ton for newsprint contracted for in 1935 and $2.22 a ton in subsequent years. This is based on an annual tonnage of 90,000 tons and is subject to adjustment if tonnage exceeds 90,000 tons or is less than 67,500. On the expiration of the contracts the trustee is required to transfer all these shares and pay over any balance of the reserve for dividends to the trustee for bondholders. No dividends can be paid so long as the market price for newsprint is below $45.30 a ton.

It is this provision for payment to publisher-customers of Great Lakes on the basis of tonnage of newsprint taken that is one of the most controversial features of the Great Lakes contracts. These contracts, however, were approved by the Ontario Government at the time of reorganization and Great Lakes is incorporated under Ontario laws.

Investors' Index

INDUSTRIALS AND UTILITIES

Algoma Steel . . 3
Aluminum . . . 20
Avalon Tel. . . . 20
Algoma 4
Abitibi 4
Asbestos Corp. 1, 4
Borden Co. . . . 4
Burt, F. N. 4
Beath, W. B. . . 11
Brazilian 11
Bell Tel. . . . 8, 12
Borden Co. . . . 16
Can. Glazed Pap. 2
Can. Car 11
Crow's Nest . . . 4
Canada Dry . . . 4
Celanese Corp. . 4
Can. Cement . . 4
Can. Vickers . . 4
Can. Investors . 4
Can. Fdy. 8
Crown Zeller. . 17
C. P. R. 12, 16
C. N. R. 16
Can. Gen. Invest. 16
Can. Inv. Fd. 12, 16
Cuban Canadian 16
Canada Bud . . 16
Can. Steamers . 16
Dosco 16
Distil.-Seagram 3, 9
Dom. Coal 4, 11, 12
Dom. Engineer. 4
Dom. Stores . . 7
English Electric . 16
East Kootenay . 16
Eno 4
Famous Players . 1
Fanny Farmer . 16
George Weston . 3
Gatineau 4
Gair, Robt. . . . 4
Great Lakes Pap. 1
Grt. Windsor . . 16
Home & Ind. . . 4
Hiram Walker . . 4
Inter-City West. 5
Inter. Utilities 4, 11
Inter. Paper . 4, 20
Jamaica P. S. 11, 19
Morris Mill. . . 19
Massey-Harris . 4
Moore Corp. . . 4
Marconi 11
Montreal Pr. . 4, 20
Nat. Brew. . . . 4
Neon Products . 4
N. B. Power . . 16
Ont. Hydro . . . 20
Ogilvie 19
Ont. Hydro . . . 4
Prov. Transport. 11
Power Corp. . . 21
Price Bros. . . . 17
Queen's Hotel . 8
Reinhardt 4
Remington . . . 4
Redcliff 5
St. Law. Corp. . 4
Steel Co. 8
Twin City Rapid 16
Texas-Can. . . . 20
United Cigar . . 4
United Grain . . 19
Wpg. Hydro . . 8
Weston 19

MINES AND OILS

Alameda 23
Afton 23
Amm 23
Bagamac 23
Baghdad Larder 24
Berens Rivers . 23
Beattie 23
Buffalo-Ankerite 24
Bralorne 24
Connetricia . . . 23
Chan Yellow. . . 20
Commoil 24
Consol. Smelters 24
Cline Lake . . . 22
Central Man. . . 23
Cariboo G. Q. . . 24
Dome 24
Darrell 24
Devon 24
Dome 24
Delwin 24
D'Armont 23
Darmont 23
Errowana 22
E. Rouyn (Que.) 24
File Lake 23
Gunnar 23
Golden Gate . . 24
Hutchison 23
Halliwell 24
Inter. Nickel . . 24
Kenecho 24
Laguna 24
Lapa Cadillac 23, 24
Lamaque 24
Montague 23
Moneta Porc. . . 24
Macassa 24
MacFarlane . . . 24
N. W. Minerals . 24
Naybob 23
Northern Empire 24
O'Brien 12
Paymaster 24
Powell Rouyn . . 23
Placer Develop. 22
Pirate G. Mines 24
Paulore 24
Pioneer 24
Paymaster 24
Perron 24
Payore 23
Reward 24
Ram River 20
S. Vermillion . . 23
Straw Lake . . . 23
San Antonio . . 20
Siscoe 23
Sand River . . . 24
Sheep Creek . . 24
Sherritt Gordon. 23
Siscoe 24
Sturgeon River . 24
Sigma 24
Stadacona 24
Thompson Cad. . 23
Toburn 24
Thompson-L. . . 24
Upper Canada . . 23
Wood Cad. . . . 23
Woco 24
Wendigo 24
Yama 23

QUOTATIONS

Bonds 18, 19
Grain 19
Industrials . . . 18
Mines & Oils . . 18
Foreign Exchange . . . 7

Famous Players Profit May be Up

(Continued from page 1)

which has been carried through to the present time. The organization is participating in a vigorous campaign in conjunction with the U. S. industry to stimulate theatre going.

In the U. S. the Roosevelt administration is attempting to segregate the three functions of producing, distributing and displaying by anti-monopoly legislation. As Canada has not any comparable organizations there is not likely to be any repercussions from this probe.

The average Canadian spends $2.50 per year attending movies, considerably less than the $7 spent in the U. S. and greater amounts in Australia and England. Canadians are essentially conservative, motion picture executives believe, but by the same token their movie-going does not react as violently to depression as in other nations.

In recent years the industry has been forced to meet changing conditions; first, the advent of the talking picture, which completely revolutionized the industry, and secondly, radical departures in architecture and air-conditioning of buildings, necessitating increases in capital expenditures.

Renovations and modernization programmes have an immediate tendency to stimulate attendance, but as the novelty wears off the attendance levels off proportionately.

Tastes vary little on the continent and it is safe to assume that a film that is successful in the U. S. will meet a good reception in this country. Since "talkies" the fortunes of movie stars have not fluctuated as violently as in the pioneering era.

Canada has contributed largely to headline names in the film world. Deanna Durban, youthful Winnipeg girl, has a universal appeal, and Montreal-born Norma Shearer has long been an American favorite.

The easiest job of the movie-goer and industry is picking the most successful picture of the year. Snow White And The Seven Dwarfs leads the field with a few furlongs to spare.

Most Popular Picture

Most popular pictures of the current season have varied in theme from fairy tales to historical sagas, and costs have also varied. Snow White And The Seven Dwarfs was an expensive production; Robin Hood, moderate; In Old Chicago, expensive; Mad About Music, moderate; The Awful Truth, inexpensive; Alexander's Rag Time Band, expensive; Test Pilot, inexpensive; Love Finds Andy Hardy, inexpensive; Marie Antoinette, expensive; The Buccaneer, expensive. Popularity in comparison to production expense seems indeterminable, and even the experts fall by the wayside when forecasting the possible success of films.

Coming attractions, such as If I Were King and Suez are expected to wind up the year with good revenues.

England has been fairly successful in the export field and the quality of recent productions has removed the handicap that earlier poor productions created. Drums, To The Victor, Action For Slander and Storm In A Teacup were among the successful British films this year.

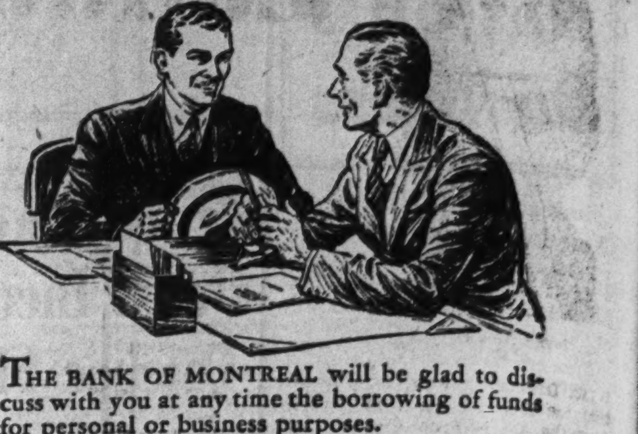
All large features are imported into this country and distributed by nine organizations, members of the Motion Picture Distributors and Exhibitors of Canada Ltd., maintaining film exchanges at Vancouver, Calgary, Winnipeg, Toronto, Montreal and Saint John. Films are rented to the theatres and the operator may lease them in any of three ways.

(1) **On a percentage basis,** calculated on box office receipts. This varies from 15% to 40%, the average being around 27%. The rate varies with different pictures, the newness of the film, and the size of the theatre. Most of the larger houses buy their programmes on this plan.

(2) **Flat rental basis,** under which the operator agrees to pay a fixed amount for the film, regardless of results. This plan is favored by many small operators, for it eliminates part of their bookkeeping costs, and is favored by the distributors when dealing with small or distant theatres for it eliminates the cost and bother of auditing.

(3) **Combined basis,** in which an initial payment is agreed on, with a percentage to apply on receipts above a fixed minimum. This plant, is less widely used than either of the others.

MODERN, EXPERIENCED BANKING SERVICE . . The Outcome of 121 Years' Successful Operation

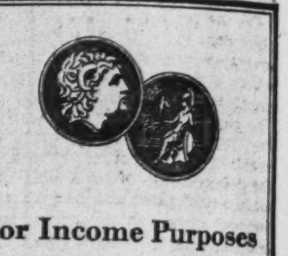


THE BANK OF MONTREAL will be glad to discuss with you at any time the borrowing of funds for personal or business purposes.

BANK OF MONTREAL

ESTABLISHED 1817

"A PERSONAL CHEQUING ACCOUNT FOR YOU"—*Ask for booklet*



For Income Purposes

If you are seeking sound mediums to increase your investment revenue our new list of recommended preferred stocks can be helpful.

Ask for List No. P26

Greenshields & Co

Members Montreal Stock Exchange
Montreal Curb Market

507 Place d'Armes, Montreal

TORONTO OTTAWA QUEBEC SHERBROOKE

DOMINION FOUNDRIES & STEEL

Our analysis of this Company prepared in August, which discussed the promising outlook for the common shares, has been revised in view of recent favourable developments, as the shares appear attractive both for their investment appeal, and further appreciation possibilities. Copies will be mailed upon request.

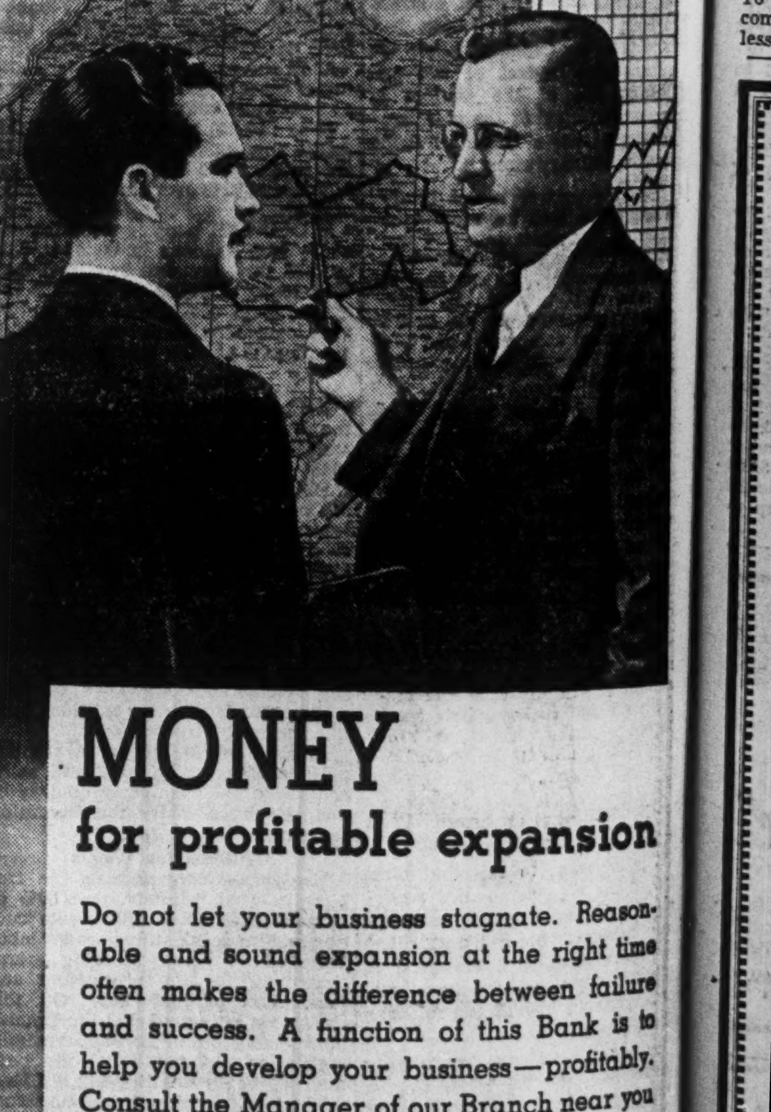
DRAPER DOBIE & CO.

MEMBERS
THE TORONTO STOCK EXCHANGE

ADelaide 9171

330 BAY STREET TORONTO

Branch: ST. CATHARINES, ONT.



MONEY for profitable expansion

Do not let your business stagnate. Reasonable and sound expansion at the right time often makes the difference between failure and success. A function of this Bank is to help you develop your business—profitably. Consult the Manager of our Branch near you —he will be glad to co-operate with you when a loan will assure the profitable expansion of your business.

THE DOMINION BANK

ESTABLISHED 1871

C. H. CARLISLE, *President*
ROBERT RAE, *General Manager*

Capital Paid Up $7,000,000
Reserve Fund and Undivided Profits $7,770,815

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount*	Price	Yield
Cornwall, Ont.	Nov.	Harrison & Co.	3½%	20-yr.	$22,381	102.375	3.24%
Truro, N.S.	Nov.	W. C. Pitfield & Co.	3½%	1955	200,000	101.47	3.40%
Vaughan Twp., Ont.	Nov.	Dominion Securities Corp.	3½%	....	4,000	98½	....
Dartmouth, N.S.	Nov.	J. C. MacIntosh & Co.	3½%	20-yr.	25,000	100.09	....
Longueuil, P.Q.	Oct.	Bk. Can. Nationale and Bruno Jeannotte	4%	1939-63	78,700	97.25	....
Goderich, Ont.	Oct.	Locally	3½%	10-yr.	13,000	100	....
Leaside, Ont.	Nov.	Harrison & Co.	4½%	1939-47	300,000	.....	....
Hull, P.Q	Nov.	Hanson Bros., and L. G. Beaubien & Co.	4%	1939-58	292,500	98.50	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Algoma Steel Corp.	Nov.	Wood, Gundy & Co., and Syndicate	3½, 4, 4½% 5%	1939-44 1948	$1,200,000 1,800,000	100	....
Chromium Mng. & Smelt. Corp.	Oct.	Direct	5%	10-yr.	1,250,000	*100	

*Per unit of $100 bond and 40 no par value shares.

DUKE OF KENT

London Calling

by Atticus

Cabinet shuffle lacks expected sensationalism—significance seen in Duke of Kent's Appointment

LONDON. — The announcement that the Duke of Kent will go to Australia as Governor-General has naturally roused much enthusiasm. Nor has the political significance of the appointment passed unnoticed.

Australia and New Zealand are Britain's most distant Dominions. They lie in a sphere of influence which is sorely troubled at the present time and does not look like becoming exactly a haven of peace for some time ahead. Our overseas kinsmen are well aware of that fact and are not shirking the defense responsibilities of their isolated position. It is in this regard that the appointment of the King's brother as Governor takes on a special importance. Once more the Royal Family shows that it proposes to share the difficulties and dangers of the King's subjects just as it is ready to share their glories.

On the purely human side an appointment to the Dominions means a severance of many ties for those on whom it falls. London with all its imperfections is the heart of things. The pageantry and tempo of affairs, the sense of contact with world events, the intellectual stimulus and the pleasantness of its social life all make a prolonged absence from London something which cannot be contemplated with a light heart.

Nevertheless I believe that the Duke of Kent will sail for the Antipodes with a sense of exhilaration, for he will realize that at last the time has come for him to play a real part in the life of the British people. King George, by sending his brother to Australia, shows once more that he is determined that his reign will leave the British Commonwealth of Nations stronger and more united than it has ever been before.

* * *

The Governor's Wife

In all appointments to the Dominions the question of the Governor's wife has to be tactfully considered. More than once a man who would have been admirably suited to be the King's representative in a Dominion has been pigeon-holed because of the temperamental unsuitability of his wife. In spite of all precautions, however, the wrong woman has occasionally been installed at Government House and caused much heart burning both at home and abroad. One of them earned the title of "The Empire Buster," but neither the thumbscrew nor the rack could make me divulge her name.

The Duchess of Kent, of course, will be a triumphant success even before she arrives. Her instinct for clothes, her most admirable response to the art of photography, her femininity, her ability to find her self-expression in a hat, her sense of modernity yet her old-fashioned devotion to husband and children—no wonder the women of Australia are already in a state of pleasurable excitement

Government House at Canberra is a charming spot with spacious verandahs that look out on gorgeous gardens and the hills beyond. The city itself has the attractions, but perhaps the lack of distractions which mark a place that is created solely for purposes of Government. To that extent it has something in common with Washington and, to a lesser degree, Ottawa.

Probably for purposes of efficiency a planned governmental city is wise. On the other hand London, Paris and Berlin offer the interesting background of metropolitan life which softens the occasional boredom of unadulterated officialdom.

I regret to state that Their Royal Highnesses will not find Australia entirely free from snobbery. In spite of humanity's common descent from the gardener, Adam and his wife, many people feel that the manner in which they and their particular ancestors have comported themselves since the expulsion from Eden has created a gulf between themselves and their cousins. Ah, well! Perhaps the very existence of that snobbery may make the Royal pair feel that they are not so far from home as they might have feared.

* * *

The New First Lord

It can hardly be said that Mr. Chamberlain's Cabinet reshuffle had that degree of sensationalism that modern political developments have led us to expect. The move of the Earl of Stanhope from the Board of Education to the Admiralty, and Earl De la Warr from Lord Privy Seal to the Board of Education does not exactly leave us breathless with excitement. I regret to say also that it produced the worst pun of the year in: "It is the Early bird that gets the worm."

Lord Stanhope has not been greatly in the public eye as President of Education. There was a time in happier days gone by when a minister's reputation could be made or broken in that office. Education was then a stormy political question. Now it has been shoved into a backwater by the ungainly blusterings of foreign affairs. The danger of going to the Board of Education now is that one may disappear from public view.

Lord Stanhope will do well at the Admiralty. It is true that the Administration of the Fleet does not tax the political resources of the First Lord as in the years preceding the Great War, but a strong man at the head is still much to be desired. Lord Stanhope by no means lacks strength. He has the gift of common sense and if he believes that he is right he will have his say and his way, too, if it can be accomplished.

In June, 1915, he made a spectacular return from the front in order to speak in the House of Lords. He arrived in England on a Saturday, made his speech on Tuesday and left for the front on Wednesday.

Here is one of his broadsides on that occasion:

"The French, speaking broadly, hold their trenches by few rifles and the support of the wonderful 75 mm. (3 in.) gun. We hold our trenches principally by rifle fire. The first system is expensive in ammunition. The second is expensive in lives."

Warming up to his subject he turned to the question of gas which had become a factor in tactics on the Western Front.

"Gas has been extensively used by the Germans—I know it only too well—and they have broken, I believe, every law of civilized warfare. They have been extraordinarily foolish. They have had the greatest luck in having had the wind with them continually for six weeks. But the wind is prevalently west and the enemy is toward the east, and therefore, as they have chosen to use that wicked method of warfare and turn themselves into outlaws, they must be treated as outlaws—treated as one treats vermin and stamped out. As they have chosen to use gas it is 'up to' the people here to provide gas for the protection of our own men in the trenches. There is a considerable amount of nonsense talked by people who say it is wrong to do that. Let them go into the front line trenches and realize what it means to see that cloud of gas approaching."

Without, I hope, incurring the charge of lèse majesté, it seems to me that a little of that spirit could be useful today in the councils of the nation.

* * *

Lord Stanhope has a broken nose which has given that organ a crooked and Wellingtonian appearance. He is a close personal friend of Earl Baldwin and is much liked by Mr. Chamberlain. He has an attractive country house where the "good and great" are frequently entertained, but without ostentation. He served in the South African war as well as the Great War— winning the M.C. and D.S.O. The Stanhope saga is an interesting one and closely intertwined with our political history. The third Earl married the daughter of Lord Chatham. The fourth Earl was grandfather of Lord Rosebery.

Geoffrey Shakespeare will answer for the Admiralty in the Commons. I am glad to see this modest but most efficient junior minister getting the chance that he deserves.

* * *

The New President

Lord De la Warr moves up despite the rumors that he was flirting with the "rebels" during the Berchtesgaden-Godesberg-Munich period. I would be sorry to think that promotion was open only to those whose lips were able to form no other word but "yes." Like many men of position his soul is torn between the claims of national service and his love of the countryside. He has a beautiful place at Bexhill and like Mr. Lloyd George, he is a successful farmer. Lord De la Warr has good looks, good humor, a good political brain and a happy home life. As an able-bodied seaman in the war he saw life in the raw and not long ago he went to Australia—which will give him an immense advantage if we ever have time to discuss the Empire again.

The new president will find his chief of staff a congenial spirit. Sir Maurice Holmes, the permanent head of the board, knows more about Captain Cook's voyages than any other living man. As some of the great explorer's most vivid experiences were in the region of Australia there is material here for much enjoyable conversation betwen De la Warr and Maurice Holmes when they blow out the candles at the Board and go off duty.

It seems to me that Australia is playing an uncommonly prominent part in these notes today.

* * *

At the Microphone

Public opinion in America is no longer to be allowed to enjoy a position of isolation. The voices of Lord Halifax, Mr. Churchill and Mr. Lloyd George have been carried across the ether into the American home and conscience. It is our custom here to think of the U. S. A. as a babel of tongues. I wonder what impression of British unanimity they received from our three spokesmen. Mr. Churchill is deservedly popular overseas and although his policy is frankly anti-German he always holds high the cause of Britain. Mr. Lloyd George is so much the master of the pictorial phrase that he is in danger of becoming its slave. Nor does he seem to differentiate between the hustings and an international platform. Like a whirlwind intoxicated with its own velocity he blows in all directions and is fresher at the end of the storm than when it began.

DUCHESS OF KENT

Lord Halifax went to the microphone at 1.19 a.m. which meant that he was talking to the eastern sections of the U. S. A. at 8.19 the night before. The B.B.C is a strange place in the early hours of the morning. No longer is it troubled with the demands of its listeners at home but is concerned with distant places. The illusion of the ear is everything and imagination takes the place of the authenticity of sight. Thus you may see 30 men or so sitting around in pullovers and trousers, only to find that they are the Royal Air Force Band about to delight Australia (that word again!) with a vision of smart uniforms and the sound of martial tunes. Glee singers sit sleepily waiting to send a bit of English cheer to British Columbia.

Lord Halifax, however, would still dress and look like the Foreign Secretary. His voice is beautifully produced and his diction clear. The Americans may rest assured that in his case there was no illusion. It was the real thing even if he did speak on a Thursday and they listened to him on Wednesday.

Copyright, 1938, The Financial Post and The Sunday Times, London.

George Weston Profit Higher

Balance for Common of $427,537 for Nine Months Compares With $347,746

George Weston Ltd. and subsidiaries report increased earnings for the nine months ended Sept. 30, as compared with the same period in 1937.

The company's unaudited statement for the nine months period shows balance available for common shares, before income tax, of $427,537, as against $347,746 in the corresponding period in the preceding year.

Comparative figures for 1938 and 1937 follow:

Income Account
For Nine Months Ended Sept. 30

	1938	1937
	$	$
Net oper. profit	638,687	559,131
Depreciation	143,492	143,727
Net earnings	495,195	415,404
Pref. dividends	67,658	67,658
Bal. avail. for common*	427,537	347,746

* Before income tax.

Distillers-Seagrams Strengthens Position

From Our Own Correspondent

MONTREAL.—In spite of unsettled business conditions in the United States and Canada, Distillers Corp.-Seagrams Ltd. maintained its volume of sales and net earnings in the year ended July 31 last and further strengthened its position, Samuel Bronfman, president, told shareholders at the annual meeting here.

Reviewing the year's operations, the president called particular attention to the company's advertising policy which emphasized the value of moderation in drinking. As a result of this advertising programme the company has received the Socrates High Award, giving it first place among all advertisers in all fields of industry. This is an annual award by National Ad-Views, a U. S. advertising publication.

In regard to export trade Mr. Branfman stated the company's products enjoy a wide distribution. Its brands continue to gain in favor and demand at the famous resorts and hotels of Europe, he said.

Algoma Steel to Push Iron Ore Development

Algoma Steel Corp. expects to have its iron ore property at Michipicoten, Ont., the Helen mine, in production by May 1 of next year.

Algoma Steel will then be in the unique position of being the only Canadian steel company with a domestic supply of iron ore. Other major steel companies in Canada, as has Algoma Steel since 1921, import all their iron ore requirements. The Steel Co. of Canada secures its ore from northern Michigan and Minnesota where it owns four mines. Dominion Steel and Coal Corp. obtains its supply from its famous Wabana Mines in Newfoundland.

To Proceed With Work

Preparation of the Helen mine for production has been under way for some time, though work has not been pushed very rapidly in recent months. Now that the company has secured additional finances through the sale of $3 millions issue of bonds, work is to be rushed to completion during the winter and spring months.

Much of the mine development has been completed. Machinery for the crushing plant is on the property. Preparation has been made for the erection of a sintering plant and an overhead tramway. The overhead tramway is for the purpose of transporting ore from the mine to the sintering plant, a distance of 2½ miles.

The sintering plant will be located on the Michipicoten branch of the Algoma Central and Hudson Bay Railway. The sintered ore will be hauled by the Algoma Central Railway, about seven miles to its dock at Michipicoten Harbor. Here, it will be transshipped by lake steamer to Sault Ste. Marie and other lake ports.

Assisted By Bounty

Development of the company's iron ore property, estimated to contain 100 million tons of siderite ore with a 35% iron content, has been made possible by a bounty to be paid by the Ontario Government. The bounty of two cents per unit becomes effective Jan. 1, 1939. One unit is equal to 1% so that the bounty will equal about $1 a ton on sintered ore.

Initial capacity of mining operations is to be 450,000 ton annually, which, when beneficiated, will give about 300,000 tons of 50% iron content ore. Half the production will be used by the company in its own furnaces at Sault Ste. Marie and the remainder will be sold. Since the ore contains about 3% manganese it has special value to a vast number of furnaces in Canada and the United States. For this reason the company expects to have no difficulty in disposing of the production.

This is not the first time that Algoma Steel has mined iron ore at Michipicoten, but development of the Helen siderite deposit is a new venture. From the turn of the century to 1918 the company operated the old Helen mine, high-grade hematite deposits. From 1914 to 1921 it operated the Magpie Mine. The latter was a small siderite body similar to the one now being developed. The ore from the Magpie also had to be roasted and the company had no difficulty in securing a profitable market for the output.

Montreal Exchange Tightens Up on Letters

From Our Own Correspondent

MONTREAL. — A new by-law placing the responsibility for all advertising literature upon firm partners was approved at a special general meeting of the members of the Montreal Stock Exchange.

The meeting approved an addition to the by-law on advertising, stating that "No member shall issue any circular, market letter or bulletin, unless he, or a member of the firm in which he is a partner, has approved thereof, and signed an exact copy thereof, as evidence of such approval; the copy so signed shall be retained by the member among his records, or the records of the firm, for a period of at least two years."

TO MY FAMILY: Best Wishes

—BUT NO WILL!

Good intentions carry no weight when estates are being settled. If you fail to leave a Will, your property will be distributed according to *law*—even though the law may not coincide with your wishes.

Making a Will and naming a competent executor are among your most important obligations to your family. If you have no Will, we suggest that you see your lawyer and our trust officer (who will gladly explain our qualifications as your executor) at once.

Crown Trust Company

Executors :: *Trustees* :: *Financial Agents*

WILLIAM I. GEAR, *President*
JOHN JENKINS, *Vice-President* IRVING P. REXFORD, *Gen. Mgr.*
393 ST. JAMES STREET WEST - MONTREAL
80 KING STREET WEST - - - TORONTO

SIMPSON'S—The Store for Men

THAT CUSTOM TAILORED LOOK

The distinction of SIMPSON'S custom-tailored suits is not due solely to skilled designing. A great deal is achieved by careful tailoring . . . painstaking detail . . . and the selection of patterns that are different enough to be outstanding, but conservative enough to be always in good taste.

Mr. MacFarlane will be pleased to assist you in making your selection for the new season. Drop in next time you're downtown. Custom-tailored suits are priced from $65 to $85.

Simpson's

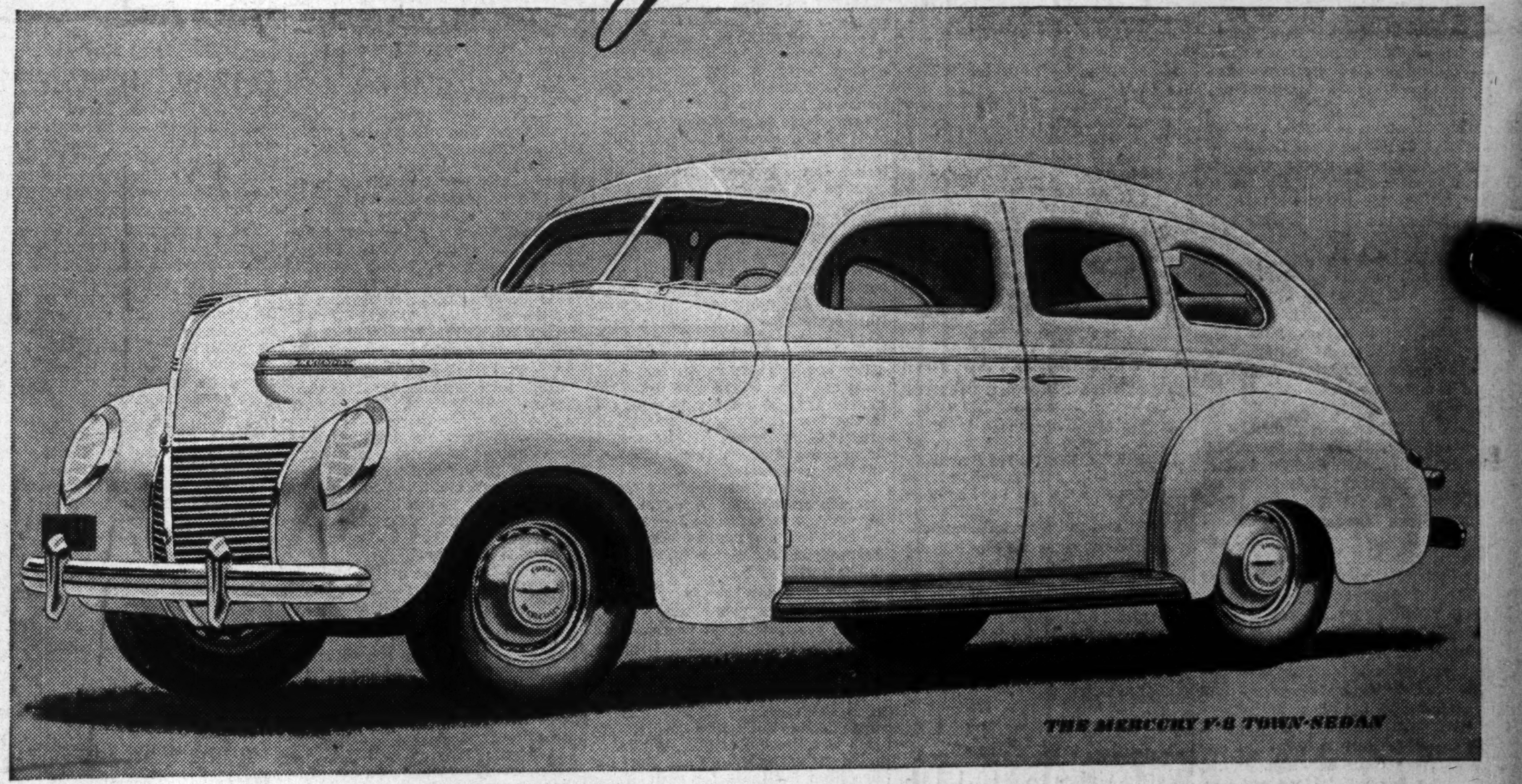
CUSTOM TAILORING SHOP — SECOND FLOOR.

A NEW CAR JOINS THE FORD QUALITY GROUP

THE MERCURY

V-TYPE Eight

A PRODUCT OF THE FORD ORGANIZATION



THE MERCURY V-8 TOWN-SEDAN

For 1939 the Ford Motor Company of Canada, Limited, presents an entirely new car—The Mercury 8. Outstanding features are streamlined beauty—rich upholstery and appointments—95-horsepower V-type engine—hydraulic brakes—remarkable quiet and comfort—116-inch wheelbase—wide bodies—exceptional room for passengers and luggage.

THOUSANDS of motorists, noting the extra value provided by the Ford and Lincoln-Zephyr in their price fields, have had a desire for an equally outstanding value in the lower medium-price field.

The new Mercury 8 is the answer to that desire. It provides the added size and luxury that extra dollars buy, plus something this price class has never known before . . . Ford quality and dependability, with the performance and economy of a Ford-built V-type 8-cylinder engine.

It is made possible by the modern, progressive policies of the Ford organization and its constant effort to give greater value to a widening circle of motorists.

The clean, flowing lines of the new Mercury reflect the distinction of the Lincoln-Zephyr—accepted style leader and an example of Ford pioneering in original design.

The Mercury is a big car—long and unusually wide—with exceptional space for passengers and luggage. Three people can ride comfortably (we emphasize the word comfortably) in both the front and back seats. Head room and leg room are equal to that of many cars selling at considerably higher prices.

Because the Mercury is a big car, it is powered by a big 95-horsepower engine, of the eight-cylinder V-type that has made such an unusual record of performance. Motorists who now own cars in this price field will be amazed at the economy of the Mercury 8.

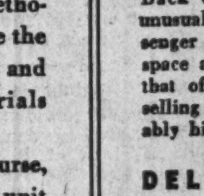
It is a remarkably quiet car. Scientific research by Ford engineers has minimized noise and vibration. Microphones and stethoscopes have been used to locate the sources of disturbing noises and new sound-deadening materials developed.

Bodies are all-steel, of course, welded into a single one-piece unit for your greater protection. The new hydraulic brakes are built to strict Ford standards of safety and dependability.

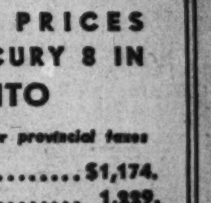
We invite you to visit your nearest Ford dealer soon for complete information on this entirely new car—the Mercury 8.

FORD MOTOR COMPANY OF CANADA, LIMITED

Ford V-8, De Luxe Ford V-8, Mercury 8, Lincoln-Zephyr V-12 and Lincoln V-12



Imposing front view of the brand-new Mercury 8. Fleet, streamlined beauty is combined with rugged size and strength.



Back view shows unusual width. Passenger and luggage space are equal to that of many cars selling at considerably higher prices.

DELIVERED PRICES OF THE MERCURY 8 IN TORONTO

License and any local or provincial taxes extra

Sedan	$1,174.
Town-Sedan	1,229.
Sedan-Coupe	1,229.
Sport Convertible	1,305.

Choice of seven attractive colours—Black, Jefferson Blue, Coach Maroon Bright, Dartmouth Green, Tropical Green, Folkstone Grey, Mercury Blue Metallic.

ON DISPLAY AT FORD DEALERS SATURDAY, NOVEMBER 12

Investment Trends

Upward Business Trend Should Support Markets

U. S. Elections Remove One Cause of Uncertainty — Period of Inaction Gives Investors Chance to Compare Business Gains

At least one event this week should help to remove the period of quietness that has been so noticeable in stock markets of the past week or two. This event is the Nov. 8 elections in the United States. The markets in Canada and the U. S. have been comparatively strong but able to make little progress upward.

This is probably a favorable factor in the end, for after a month of recovery such as was witnessed following the Munich agreements it is essential that stock markets give investors a breathing spell when they can look around and see just what progress is being made by business and trade in general.

This look around should give a touch of optimism, for business levels are showing definite gains in most departments. The Canadian Bank of Commerce reviews conditions in its latest letter, pointing to a 3% gain in October. Out of 15 business groups analyzed by the bank only leather footwear and steel failed to advance and in the case of steel it was said that business on hand and in sight would maintain operation at from 75% to 80% of capacity with prospects for some gain before the end of the year. The bank states that where a year ago Canada was on the verge of economic recession, today this country is in the revival stage.

But it still seems likely that stocks will find the resistance to be met at levels somewhat higher, say around 10 points up on most of the important security averages from present levels, pretty hard to overcome. There does not seem anything in sight at present, however, that would justify a major reaction in stock prices. Probably what would happen would be to give investors who have been chary of the markets a better chance to buy the stocks they have selected.

* * *

The Weather

This week the weather bureau announced that an all-time record for high temperature on that particular day had been set on November 7. This is not without some significance for investors. In this country seasonal fluctuations are unusually important, particularly to numerous sections of retail trade. Anything throwing this seasonal move out of step must mean a certain amount of business lost.

Many types of business do not regard the past few weeks in the favorable light that the ordinary individual does. Outstanding example is the fuel dealers. They may make up later the sales volume lost in the past month but, on the other hand, more likely they will not. Retailing would be another line to feel the lack of an impetus to buy winter clothing. On the other hand, gasoline sales must have been assisted, as well as ice cream, soft drinks and beer.

* * *

Averages Compared

The November issue of the Monthly Review, official organ of the Montreal Stock Exchange, comments on the level of industrial share prices in Montreal, New York and London. It states:

"As measured by the Montreal Stock Exchange and the Montreal Curb market average for 20 industrials, security prices have now more than recovered the sharp decline brought on by the recent international crisis. At the same time, however, the current level of prices for Canadian industrial securities appears to be relatively lower than those prevailing in London and New York.

"The Montreal industrial average declined 21.1% between August 27 and September 26, when a crisis low of 66.0 was reached. At the end of October the index had advanced to 85.1, a recovery of 28.9%. This level compares with 80.2 at the end of October a year ago and is 30.4% under the 1937 high of 122.2%.

"Industrial issues in London, as measured by the Financial Times average, are 28.6% below the high point for 1937, while in New York the Dow-Jones industrial average is 21.9% under its 1937 high."

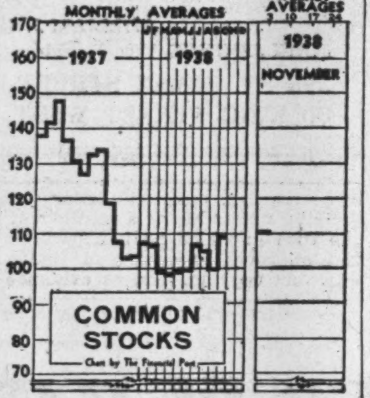
* * *

On the Regulation Lookout

Investors in U.S. securities should be somewhat reassured by the statement of Lawrence Dennis, economist for E. A. Pierce and Co., New York Stock Exchange firm, that neither Government nor big business is in favor of return to a system of relatively small business units and perfect competition.

"If Washington were going to try to enforce price flexibility by trust-busting attempts to terminate present corporate arrangements which allow of administered prices and production by big business managements, then the thing to do would be to sell corporate securities and hold cash for the deflation. But, if anything is predictable about government policy in the near future, it is that no such policy will be followed," says Mr. Dennis.

He feels that government regulation of business is going to continue. Regarding specific industries, he thinks that certain older industries like steel, railroad transportation and textiles may fare badly under regulation through inability to meet government requirements of lower prices and larger output while earning some return on existing capitalization which may be based on assets and expectations which are no longer valid. On the other hand, in the oils, or in the chemicals, the motors and new specialties where technological progress is still rapid and demand expanding, governmental demand for lower prices and larger output may be met with relative ease and a good return on investment.



Holding Company Stock Is Listed

Neon Products Investment Traded in Vancouver

The stock of Neon Products Investment Corp., which controls Neon Products of Western Canada, was listed on the Vancouver Stock Exchange on Oct. 31, 1938. The ticker abbreviation is NPI.

Neon Products Investment Corp. operates as a holding company and owns 28,607 shares of the 54,836 common shares which Neon Western Canada has outstanding. The head office of the company is in Vancouver, where it was incorporated under British Columbia charter on Jan. 8, 1931.

Capitalization of Neon Products Investment Corp. consists of 60,000 common shares of no par value of which 28,607 shares were issued for property and for assets.

Neon Products Investment Corp. has paid dividends as follows: December, 1931 and 1932, 22 cents a share; December, 1933 and 1934, 25 cents a share; August, 1935 to 1938, inclusive, 25 cents a share.

It is understood that ownership of over half of the common stock of Neon Products of Western Canada is the only asset of Neon Products Investment Corp. Dividend payments on the holding company stock thus correspond with payments on the ordinary shares of Neon Products of Western Canada.

Eno Shareholders Approve Beecham Maclean Merger

It has been announced by C. J. Weedon, president of the Eno companies in Canada, United States and South America that shareholders of Eno Proprietaries Ltd. have accepted the offer of Eno Beecham Maclean interest and ratified amalgamation.

All companies in the Eno Proprietaries Ltd. group will continue to operate as before.

Control of International Proprietaries Ltd., a Canadian holding company, was sold to United Kingdom interest in 1934. The class A stock was sold for $37 a share. Subsequently Eno Proprietaries, Ltd. was formed in England.

Canadian Investors Asset Value Gains to $10.15 Sh.

Net income of Canadian Investors Corp., Canada Investment Trust, for the first nine months of this year was approximately equal to that for the corresponding period of last year. For the year ended Jan. 31, 1938, the company had a net income of $45,807, which was equivalent to 45.8 cents a share on the stock outstanding.

As at Oct. 20, 1938, the net asset value of the Trust was $1 million, equivalent to $10.15 a share, compared with $912,769 as at January 31 which was equal to $9.13 a share.

Reinhardt Dividend

Another dividend of 15 cents a share has been declared on the common stock of Reinhardt Brewery Co. The latest payment will be made Dec. 1, 1938, to shareholders of record November 15. This is the second payment of 15 cents to be made this year, the previous payment coming on June 1.

NESBITT, THOMSON
& COMPANY, LIMITED
355 St. James Street West, Montreal
Branches in the principal cities of Canada
16R

Moore Corp. F. N. Burt Would Merge

Stress Need For Research to F. N. Burt in Proposing Share Exchange

EARNINGS LOWER

Proposals to amalgamate Moore Corp. and F. N. Burt Co. are now before shareholders. Special meetings of shareholders of both companies are being held in Toronto on Nov. 30, 1938, to consider the changes.

If the proposals are adopted the amalgamated company will be known as Moore Corp. Ltd. Its by-laws, powers and capitalization will be almost exactly the same as those of the present Moore Corp.

The exchange of shares would be carried out on the following basis:

(1) For each share of F. N. Burt 7% convertible preference stock, the holder would receive one share of convertible class A preference of the new company.

(2) For each four common shares of Burt, holders would receive three new common shares.

(3) Holders of the present A and B preference shares and common shares of Moore Corp. would receive an equal number of corresponding shares in the new company.

Dividends in Canadian Funds

The only change to be made in the rights and privileges of the holders of present Moore Corp. shares would be the additional provision that dividends on all classes of new shares may be paid in either Canadian or United States funds as the directors may determine. At present Moore Corp. is paying dividends in U. S. funds while Burt dividends are being paid in Canadian funds. Conversion and voting privileges will remain as on present Moore Corp. shares. Both classes of preferred would have six votes per share with one vote per share of common.

Authorized capital of the new company will be the same as that of the present Moore Corp. as follows:

Proposed Capitalization

	Author.	Issued	Par
7% convert. A pref. ...	$3,500,000	$3,341,600	$100
7% convert. B pref. ...	2,500,000	646,900	100
Common ...	500,000 shs.	419,009 shs.	n.p.v.

Distribution of New Shares

In the above tabulation, it has been assumed that the capital stock of the new company will be all issued on the basis proposed. Provision of issuing more than 500,000 common shares to care for possible conversions is made through the interpretation of the Ontario Companies Act. Present capitalization of the two companies is as follows:

Moore Corp. Capitalization

	Author.	Outstand.	Par
7% convert. A pref. ...	$3,500,000	$3,284,800	$100
7% convert. B pref. ...	2,500,000	646,900	100
Common	500,000 sh.	339,213 shs.	n.p.v.

F. N. Burt Capitalization

	Author.	Outstand.	Par
7% convert. pref.	$3,500,000	$ 56,800	$100
Common	3,500,000	2,693,200	25

This is subject to any conversions of preference into common subsequent to Nov. 3, 1938. The A preferred of Moore Corp. and the preference of Burt are convertible into the respective common stocks on the basis of four common for each preferred while the B preferred of Moore Corp. is convertible on the basis of six common for each preferred.

F. N. Burt is the holder of 2,259 shares of A preferred and 29,981 common shares of Moore Corp. which would be cancelled if the amalgamation is carried out.

On the suggested basis, holders of Burt preference would receive class A preference of Moore Corp. while Burt common shareholders would receive common shares in the new company. This would give approximately 13% of the voting strength in the new company to holders of present Burt shares. Income would be unchanged on the basis of present dividend scales.

Present dividends on Moore Corp. common are 40c. quarterly, up from 25c. with payment made Jan. 2, 1937. On Burt common current rate is 30c. quarterly, a reduction from 50c. paid to the first of 1938.

Profit Trends

Trend of profits for Moore Corp. in the past few years has shown a better recovery than has that for F. N. Burt. In 1937, Moore Corp. net of $1.5 million set a new high record for the company. In the current year it is estimated that there will be some decline but Moore Corp. net for 1938 is estimated at $1.2 million.

On the other hand, F. N. Burt net has been declining for each of the past three years and the estimated $90,000 for 1938 will be lower than for any year since 1910. Last year F. N. Burt earned net profits of $175,717.

Burt's holdings of Moore Corp. stock would give an income of $63,782 this year, so that earnings from its own operations are apparently only going to amount to around $27,000.

The letter to shareholders contains a comparison of earnings per share had the proposed amalgamation been in effect over the past six years. During the past six years, including estimated figures for 1938, average net profits of Moore Corp. have been equivalent to $2.24 a share on its common. If the amalgamation had been in effect during this period average earnings would have been equivalent to $2.21 a share on the Moore Corp. common. For F. N. Burt average earnings over the past six years, as calculated for Moore Corp., have averaged $1.37 a share on its common. On the basis of the proposed amalgamation giving ¾ of a share of new common of the combined companies for each Burt share, average earnings applicable to Burt common would have been $1.62 a share.

The present Moore Corp. is a holding company whose subsidiaries manufacture sales books, manifold books and forms, autographic registers and continuous business forms. F. N. Burt makes set-up paper boxes, folding cartons, displays for merchandising, mailing tubes and cores and other related items. Both companies carry on the major portion of their business in the United States. Moore Corp. is considerably the larger, having total assets at the end of 1937 of $10.8 millions compared with $3.7 millions for Burt.

Moore Corp. More Stable

The types of business carried on have made Moore Corp. somewhat more stable in its earnings and less subject to change with the business cycle than is Burt.

As an official of the company put it to The Financial Post not long ago, it takes just as many sales forms to handle a $1,000 order for a commodity as for one of $100 value but the amount of packaging needed in the latter case would be much less than in the former.

Need for Research

In this connection shareholders of the two companies are informed that changing conditions in the box trade have made it necessary for Burt to look for new markets and develop new lines. To do this requires heavy capital expenditures for machinery and equipment. This also requires research and financial strength which directors claim can best be provided by the combined facilities of the two companies. It is also stated that, in the opinion of the directors, business and profits of Burt can be expanded most rapidly and surely through the amalgamation to the expected benefit of shareholders in both concerns.

It is proposed to maintain the management and directorate of the amalgamated company the same as for the present Moore Corp. Management and board of directors of the two companies at present includes many of the same men. The suggested board for the new company is as follows: E. G. Baker, Thomas Bradshaw, W. N. McLeod, A. J. Mitchell, S. J. Moore and Alfred Jephcott, Toronto; A. M. Bovier, H. H. Griswold, S. G. H. Turner, Elmira, N.Y.; C. W. Colby, Montreal; G. W. McLaughlin, Oshawa.

Burt Business Changes

Apparently the need for some such step in strengthening F. N. Burt goes back a few years to the time when American cigarette makers switched from the use of cartons to the use of paper packages. The new packages are made and filled on the same machines that makes the cigarettes. The manufacture of packages for cigarettes had been an important item with F. N. Burt.

Since this change in its business took place, Burt executives have been looking around for something to replace the lost volume. A promising solution for at least a portion of this has been found in the manufacture of lithographed folding cartons in the Buffalo plant. This business was started in 1936 and good progress has been made. But officials of the company feel that with the enlarged and strengthened facilities which would be made available, further research can be undertaken that should lead to other profitable lines.

Algoma Stock Listed

Algoma Steel stock is being listed on the Toronto Stock Exchange on Nov. 10. Ticker abbreviation is ALG. The listing covers 22,015 shares of 5% preferred out of 27,000 shares authorized and 585,600 shares of no par value common.

Market Opinions

Forces for recovery are still stressed by market commentators although there are many hints that more advantageous buying levels will be seen before long.

* * *

Bhookmire Bulletins, New York—"A stalemate in the stock market in the week before elections is not unusual, and thus it is not surprising that recent movements have been within a narrow range. With due regard to seasonal factors, the underlying sources of recovery remain strongly manifest, reinforcing the longer term uptrend in stock prices. The policy of using, during any weak spots, such new cash as may have been accumulated, should be continued, and balanced invested positions in stocks with superior recovery prospects should be maintained."

* * *

Magazine of Wall Street, New York—"Any further advance will meet strong resistance not far up. Within the next month or six weeks a reaction cancelling about a third of the move from the September low should provide a buying opportunity."

* * *

Financial World, New York — "Regardless of the economic variations that the next one or two years may hold, the overshadowing fact to which American investors and businessmen must continually keep alert is the tremendous accretion to our banking reserves and credit resources that has developed since 1932 out of the devalued dollar, monetary manipulation, and deficit financing. Money is the most active agent known to economics and sooner or later, whether by the road of confidence and hence orthodox recovery, or fear and hence currency depreciation, this money will get to work. When it does we shall witness a large expansion in bank loans, a considerable acceleration in the velocity of deposit turnover, a level of production above that of the past decade, and new peaks in stock and commodity prices. This day is ahead."

* * *

The Annalist, New York — "The significance of the current earnings reports for the stock market lies, however, in the fact that they demonstrate the general ability of earnings to respond decisively to business recovery and suggest a much higher level of profit in most industries under normal business conditions.

"The relatively great activity of low-priced stocks has continued to be one of the most conspicuous features of the market. There is reason to believe, however, that a resumption of the general advance in prices would be accompanied by a renewed demand for stocks of better investment standing.

"It is reasonable that stock prices should experience a moderate reaction after such a sharp advance as that which set in during the closing week of September. The decline in volume of trading on the reaction and the absence of pronounced weakness in any important group of stocks is, of course, a favorable symptom. Definite confirmation of the theory that the technical position of the market is still reasonably strong would be given if prices were to begin to advance again on increased activity."

* * *

Investors' Chronicle, London (Oct. 29) — "The selective investment policy outlined here over the past six months has been well justified. That policy has, perforce, been defensive, and I do not yet feel the time is ripe for a wholly aggressive policy. Indeed, a period of consolidation both here and in America would not come amiss. There has been evidence that that opinion is widely held—investors have been taking profits now offering in Yankees, commodity shares and irons and steels. It will be very interesting to watch the market's resistance power over the next few days. Ultimately, I am confident that these shares will go higher. Kaffirs and oils are under a cloud, but in the case of oils particularly the present seems to present a buying opportunity for the long-term holder. Kaffirs are held back by political factors, and although the shares are intrinsically attractive, the political background, however unreasonable, looks like persisting."

Aussies Plan Newsprint Duty

Australia May Make Charge to Cover Bounty on Own Product

From Our Own Correspondent

MONTREAL. — Canadian newsprint paper shipped to the Australian market may be subjected to an import duty if the recommendations of the Australian Tariff Board are adopted by the Commonwealth, according to a report released by the Canadian Department of Trade and Commerce.

The Board recommended that this duty, with a portion of the duty collected under the general tariff, be used to provide for a bounty fund for the assistance of Australian newsprint paper production.

Regulated by Cost

The rate of duty under the British preferential tariff and the rate of bounty paid would be on a sliding scale, regulated by the cost of imported newsprint. When the cost is £18 ($68.76) a ton of 2,240 pounds or over, no duty would be imposed under the British preferential tariff and no bounty paid on production.

The report said that newsprint paper has not yet been produced commercially in Australia. An association of newspapers, promoters of a company for newsprint manufacture, had applied to the Government for assistance by means of a bounty on production of £4 ($15.25) a ton, the amount of the bounty to be raised by means of a duty on all such paper imported.

Some are Opposed

Newspaper and publishing companies not associated with the promoters of the industry opposed the proposed bounty and duty.

Australia is Canada's second most valuable customer for newsprint paper. For the three months ended last June 30, the latest figure available, Canada exported 943,000 hundredweight of newsprint paper, valued at $2,045,000 to Australia.

Canadian Vickers Builds Large Plane

From Our Own Correspondent

MONTREAL.—Canadian Vickers Ltd. have just completed the largest airplane ever built in Canada, an 8½-ton "Stranraer" flying boat. It is the first of several of its type being made for the Department of National Defence.

The plane, known as the supermarine type of flying machine, has a wing spread of 85 ft. It is 56 ft. long and 19 ft. high. It is powered by two Bristol Pagasus X motors.

May Purchase Abitibi Plant

Hydro Will Not Negotiate For Kaministiquia Until Reorganization

Purchase of Kaministiquia Power Co., operated by Abitibi Power & Paper Co., will not be considered by the Ontario Hydro-Electric Power Commission until reorganization of Abitibi has been completed, Hydro officials state. It was previously suggested that the paper company might sell its power plant to the provincial power system.

In the event of purchase by the system when Abitibi emerges from its present difficulties the plant would be used in conjunction with Hydro's Lake Nipigon development.

The 20,000 h.p. plant supplied Fort William with power before it became linked with the Hydro system, but now its output is taken by paper mills in the area. Acquisition of the company would give the system extra facilities in this territory which it needs. Lake Nipigon is considered one of the best locations in the world for power development.

Additional Power Taken

At the present time the Ontario Hydro Commission is purchasing 446,000 h.p. from Quebec power concerns to supplement the system's output. The amount will be increased as contracts lengthen.

On Nov. 1, the Commission commenced taking delivery of an additional 80,000 h.p. from Quebec companies, according to the terms of the revised power contracts of Dec., 1937.

The contracts called for delivery of an additional 35,000 h.p. from the Gatineau system, 20,000 h.p. from Maclaren-Quebec Power and 25,000 h.p. from Beauharnois. This will mean additional revenue of $312,500 to Beauharnois; $437,500 to Gatineau and $250,000 to Maclaren.

Despite minor recessions the province came through the depression years with a rising commercial load and an industrial demand that was marking time. Now that industrial activity has increased in the Niagara system, where the province's manufacturing facilities are concentrated, the loads are increasing over 1937.

In eastern Ontario the increase in September was substantially higher. This system from an industrial standpoint does not rank in importance with the Niagara system, but better operations of paper companies, largest of which is Howard Smith, has increased the consumption of off-peak power. These concerns are able to utilize cheaper power.

The steady development of northern mines is calling for larger quantities of power, and domestic consumption is showing a proportionate improvement with the building up of these areas.

United Cigars Has Toronto Listing

U. S. Concern Obtains Market for Shares in Canada

Application of United Cigar-Whelan Stores Corp. for listing on the Toronto Stock Exchange has been granted and the shares were called for trading on Nov. 9 under the ticker abbreviation UCW. The listing covers the 6,000,000 shares of 10 cent par value common authorized. At present the company has 5,298,563 shares outstanding; balance of 423,361 out of the number allotted for issuance will be issued from time to time upon presentation of claims for security holders and creditors.

The company also has 67,000 shares of no par value $5 cumulative preferred stock of which 64,657 shares have been allotted. Funded debt consists of $6 millions of 5% sinking fund bonds, due Oct. 1, 1952, of which $2.9 millions are outstanding.

The company is an operating and holding company incorporated in Delaware on July 12, 1937, as a consolidation of Cigar Stores Realty Holdings, Inc., and United Cigar-Whelan Stores Corp. The company is engaged in the sale of cigarettes, drugs and related accessory products.

Reorganized in 1937

Net sales of merchandise in 1937 were $54.9 millions compared with $55.4 millions in 1936, a decrease of $440,000. Gross profits from sales, however, increased about $600,000. As the business was operated by the trustee in reorganization proceedings to July 17, 1937, a report for the full year is not available on a comparable basis. From July 17 to Dec. 31, 1937, profit was $200,716, after all charges including bond interest, depreciation and taxes and including $145,974 as profit of bonds redeemed.

Consolidated balance sheet shows current assets of $9.5 millions at Dec. 31, 1937, including $3.3 millions cash and $5.8 millions of inventories. Current liabilities of $3.9 millions, left net working capital of $5.4 millions.

Home & Industrial Prod. Plans Capital Reduction

Special and annual meetings of shareholders of Home & Industrial Building Products Ltd. are being held in Toronto on Nov. 12, 1938.

At the special meeting shareholders will be asked to approve the following:

(1) Reduction in authorized capital from 1,000,000 shares of $1 par to 500,000 shares of $1 par by cancelling pro rata 91,265 issued shares and 408,735 unissued shares. Present shareholders will thus have one share for each two held at present.

(2) Number of directors would be increased from five to seven.

(3) Name of the company would be changed to Nu-Wall Industries Ltd.

(4) Confirm an agreement between the company and H. D. Bellinger & Co., dated Oct. 31, 1938, whereby the latter agrees to purchase 65,000 of the new shares at $1 a share of which $10,000 is to be paid on completion of the capital reorganization and $7,500 monthly thereafter. The underwriter is also granted an option on 75,000 shares at $2 a share within three years and 75,000 shares at $3 a share within five years.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and trac. tion 15	Banks 8	Total utilities 19	Total co's. 95
1929-37:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	204.6	281.1	197.6	131.7	166.0	198.3
Low	29.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	43.3
1938:												
Jan.	109.6	18.9	87.2	194.9	64.3	158.7	116.1	138.4	64.4	84.3	48.7	107.7
Feb.	109.3	17.5	88.9	195.2	64.8	159.9	115.0	131.4	63.1	81.8	46.8	107.1
Mar.	100.7	14.6	76.5	181.2	60.3	152.0	101.3	116.0	58.2	80.5	43.1	99.2
Apr.	103.2	15.4	75.6	172.0	55.0	151.5	106.0	119.4	59.7	80.4	43.7	97.9
May	107.2	15.7	85.8	177.2	54.5	153.6	107.5	122.5	61.0	80.9	44.5	99.7
June	111.8	18.6	84.8	170.0	54.1	156.2	109.2	129.8	61.2	81.0	45.1	100.0
July	129.2	23.1	88.6	177.6	59.4	167.9	120.5	142.6	66.4	84.9	48.6	106.9
Aug.	130.1	21.0	88.3	176.7	59.0	168.5	122.1	139.3	64.3	85.0	47.1	105.2
Sept.	120.6	17.5	78.4	165.0	54.3	162.2	108.8	121.2	57.8	83.4	42.7	98.6
Weekly Figures, 1938:												
Oct. 6 ...	133.2	21.9	83.3	177.5	56.8	168.4	120.3	136.3	63.1	84.5	46.4	105.9
Oct. 13 ..	139.8	23.4	86.8	184.4	56.6	170.0	125.6	141.5	65.0	86.0	47.6	110.0
Oct. 20 ..	142.5	22.7	86.1	184.2	57.6	169.1	133.5	139.2	64.3	86.2	47.1	110.8
Oct. 27 ...	141.6	23.1	86.6	183.0	59.1	171.1	138.2	140.2	63.6	86.2	46.8	111.3
Nov. 3 ...	141.6	22.8	86.3	181.6	59.1	171.3	140.8	140.6	63.1	86.2	46.4	110.7

*High and low for years from 1929 to 1937 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	10 B.M.	15 W.O.
Nov. 8	128.53	122.33	104.77	30.41
Nov. 7	127.69	122.44	103.86	30.31
Nov. 5	126.74	122.51	102.08	30.37
Nov. 4	126.79	122.50	101.81	30.20
Nov. 3	126.65	121.56	102.67	30.10
Nov. 2	126.20	121.31	101.90	30.97
Month ago ..	123.62	122.42	98.84	32.98
Year ago ...	122.98	120.42	67.28	32.58
High, 1938 ..	128.53	127.19	103.95	50.85
Low, 1938 ...	97.86	101.86	64.47	25.77

Montreal Stock Exchange Averages

	10 Util.	20 Indus.	30 Comb'd	15 Golds
Nov. 8	67.7	87.7	81.0	124.45
Nov. 7	68.1	86.6	80.4	124.07
Nov. 5	67.3	85.9	79.7	123.94
Nov. 4	67.6	86.3	80.1	124.15
Nov. 3	67.4	86.1	79.8	124.68
Nov. 2	68.0	85.5	79.6	124.06
Month ago ...	67.9	85.4	79.6	124.95
Year ago	68.6	70.8	72.7	116.71
High, 1938 ...	69.3	88.2	81.4	130.77
Low, 1938	57.6	61.1	60.5	103.06

Province of Quebec
3% Sinking Fund Debentures
Due November 1st, 1947
(Non-callable)

The Province of Quebec has great natural resources in its mineral deposits, hydro-electric power, farm lands and forest reserves. This diversified wealth is the foundation of many important industrial and commercial enterprises.

In addition, with one exception the Province of Quebec has a substantially lower per capita debt than any Canadian province.

Price: 98.06 and interest, yielding 3.25%

Circular including financial statement forwarded upon request.

Wood, Gundy & Company
Limited
Toronto Winnipeg
Montreal Ottawa Vancouver
London, Eng. Hamilton London, Ont.

Investment Notes

Dominion Coal.—The reported increase of the subvention on Nova Scotia coal marketed in central Canada would further strengthen the position of this company, the largest operator in the East. Coal preferred is now selling on an 8% yield basis.

* * *

Montreal Power — Operations are running a trifle under those reported a year ago. While the company does not issue an interim statement, expectations are that net income will equal around $1.80 a share for 1938. This compares with dividend requirements of $1.50 a share.

* * *

Canada Cement—Cement business has not been exceptionally good this year. Prospects are that income will be moderately lower. Those who follow the company and its operations closely are forecasting earnings of $5.50 a share on the preferred, as against $7.27 a share last year.

* * *

St. Lawrence Corp. — Newsprint companies are not going to do as well this year as in 1937, still revenues will be fairly good considering operating conditions. St. Lawrence Corp. is expected to show about 60 cents a share on the class A stock, compared with $1.04 a share in 1937.

* * *

Asbestos Corp. — Estimated earnings this year are placed at $6 a share. If the stock is split four for one, this would mean $1.50 a share on the new security, a rate which would make the stock attractive from both speculative and investment points of view.

* * *

Gatineau Power—Increase in deliveries to Hydro this year will add appreciably to company's earnings. Estimates for 1938 are around $13 a share on the preferred and close to 90 cents a share on the common. Good reason for expecting a rising scale of dividends on the common.

* * *

National Breweries — Operations have been fairly consistent this year. The wet weather in the summer did not do much to help along sales, but signs now point to revenue in 1938 being on about the same basis as in 1937.

* * *

Massey-Harris—It is understood that the price reductions in Canada, announced last week, on the average amount to about 4% on the company's entire line. As indicated by last week's story the reduction varies with different implements. It is also understood that the company is about ready to announce the introduction of two new tractors, designed along the lines of the model 101 announced last summer.

* * *

Dominion Engineering — Things are looking up for this company. All along it has had a good volume of small orders on hand, but needed one or two large "bread and butter" accounts. The order for the St. Maurice Power turbines is in the big class. There also is the possibility that the company will share in Steel of Canada's plans for a new rolling mill.

* * *

Coal "B"—Interest continues in this stock on a fairly wide scale. However, it appears that capacity operations are necessary to move the stock. Current operations are below par and, while the volume of trading is good, there is no effort to bid up the stock.

* * *

Canadian Vickers—The preferred moved up to 43½ this week. A good price considering all the fence mending that the company will have to do before this stock again is regarded as being an investment issue.

* * *

Newsprints—Everyone is keeping an eye on them. In brokerage circles every view is preceded with the potent word "if." Not to break the circle, one might say if operations are at 75% or better of capacity next year and the price holds at $50 a ton, the operators may pleasantly surprise their security holders with a healthy increase in earnings.

* * *

Hiram Walker—Rumors of a possible three-for-one split in the common and a higher dividend have been current but the only comment of officials is that they have not heard of any such move.

* * *

S.E.C. summary of September security transactions contains the following of Canadian interest:

Borden Company—A. G. Milbank, director, decreased his holdings of 1,800 shares to 6,800.

Canada Dry—Thomas Hildt, director, acquired 100, holding that amount; through Alex Brown & Son, (proportionate interest not shown), increased holdings 200 to 500. R. W. Moore, officer, decreased holdings 20 shares to 300.

Celanese Corp. of America—G. H. Whigham, director, increased holdings of common 2,000 shares to 8,573.

Robert Gair Co.—E. O. Summer, officer, holds 4,618 common shares, and increased preferred holdings 100 shares to 707.

Gatineau Power Co.—J. R. Binks, officer and director, acquired one common share, holding that number. A. C. Brittain, officer and director, acquired 10 common, holding 10. G. Gordon Gale, officer and director, holds 11,222 common and increased preferred 25 to 316. L. S. St. Laurent, director, acquired 100 common, holding that amount.

Granby Consolidated—J. B. Beaty, officer and director, increased holdings 400 shares to 500.

International Paper & Power—Bessemer Investment Co., as beneficial owner, decreased common holdings 2,200 shares to 174,322; decreased $5 preferred 1,300 to 44,715 and decreased warrants for common 1 to 188,122. J. H. Hinman, officer and director, holds 107 common, and increased preferred 50 to 157.

International Utilities—F. W. Seymour, director, increased holdings of class B shares 2,750 to 5,650.

Remington Rand—C. F. Price, officer, increased common holdings by 30 to 426 and holds 21 $4.50 preferred with warrants and 372 common rights; N. F. Price, wife, holds 311 common, three $4.50 preferred with warrants, and 480 common rights.

Crow's Nest Dividend

Crow's Nest Pass Coal Co. has declared a common dividend of $3 a share, payable Dec. 1, 1938, to shareholders of record November 14. Last previous payment was $1.50 made Dec. 28, 1937, which brought total payments for that year up to $4.50 a share.

LAURA SECORD
Candy Shops Limited

The recent declaration of an initial quarterly dividend of 20c per share on the new stock establishes a yield of 5.71% at the current market price.

H. R. BAIN & CO.
Members The Toronto Stock Exchange
BAIN BUILDING
TORONTO
304 BAY ST.
AD. 4271
H. R. BAIN
R. S. NEWLING
G. T. GAYFORD
J. D. SMITH

SOUTH AMERICAN DEFAULTED BONDS

Will Buy Net, in Blocks or Small Quantities

Blocked balances—"Unfreezing" short term notes.

Correspondence invited

V. DA GAMA
67 Yonge St., Toronto WAverley 3236
Amsterdam — Rio de Janeiro — Buenos Aires

Bond Markets

Average Debt Charges Of Dominion Decrease

Coupon Rate of Federal Obligations Drops to 3.75% From 4.95% in 1926, Reflecting Decline in World Interest Rates and Easy Money Policy of Government

Since 1926 there has been a steady decrease in the average rate of interest on the Dominion Government's direct and guaranteed debt. In 1926 the average rate was 4.95%. Today, it is 3.75%. The greater portion of this reduction has taken place since 1933, the average rate on March 31 of that year being 4.65%.

This decline in the average coupon rate is a reflection of reduction in interest rates the world over and also of the easy money policy of the Dominion Government. It has been accomplished through refunding of bonds bearing high coupon rates as they mature.

As a result Canada is now able to carry a much larger burden of debt at no increase in cost. Debt has increased by $881 millions since 1931, but interest charges are lower, amounting to $156.7 millions compared with $160.3 millions in 1931. In 1934 the Dominion's interest bill was $172.6 millions. Bonds bearing interest of over 4½% now take only $36 millions to service. In 1926 they required $115.2 millions.

With the exception of the 1928-29 fiscal year there has been an increase in direct and guaranteed debt in every year since 1926. Over the 12-year period there has been an increase of $1,126 millions.

Below is a table showing total debt, the annual interest bill, and the average coupon rate. This table is compiled from the October Statistical Summary of the Bank of Canada.

As at March 31:	Total Debt (millions)	Annual Interest Payable (millions)	Average Coupon Rate %
1926	$3,065.3	$151.6	4.95
1927	3,069.7	151.4	4.93
1928	3,044.6	149.1	4.90
1929	3,039.7	148.6	4.89
1930	3,088.0	151.1	4.89
1931	3,300.8	160.3	4.86
1932	3,546.5	166.2	4.69
1933	3,678.8	171.0	4.65
1934	3,803.6	172.6	4.54
1935	3,929.3	168.3	4.28
1936	4,106.6	167.0	4.07
1937	4,157.4	163.4	3.93
1938	4,181.9	156.7	3.75

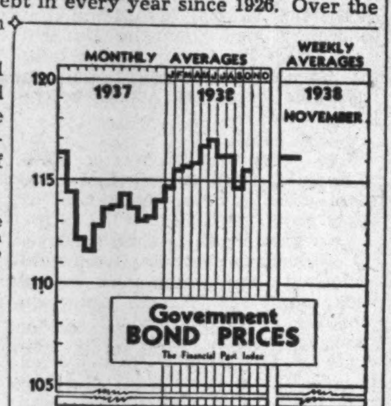
* * *

Alberta Refunding

It appears there is to be further debt legislation in Alberta. This time it is to be a refunding scheme for the provincial debt. Two U.S. financial men, it is said, have been hired as experts to devise a refunding plan.

It is about time Premier William Aberhart and his associates realized they are wasting taxpayers' money in trying to devise such a scheme. Every piece of debt legislation his Government has passed to date has been successfully attacked in the courts. A compulsory refunding scheme will be no exception. As the bonds are payable outside Alberta, and many outside Canada, the Provincial Legislature has not the power to put a refunding scheme into effect.

It is not experts that the Alberta Government needs in order to secure a refunding of its debt. Rather, it is a change of heart. Alberta must first give proper consideration to the rights of its creditors and bondholders. If and when it does this, and indicates a willingness to negotiate rather than take arbitrary action, it may find a refunding scheme within its reach.



* * *

New Bond Financing

New bond financing of the Dominion Government, the provinces and municipalities, excluding treasury bills, totalled $362.8 millions for the first 10 months of 1938, according to Wood, Gundy & Co., as compared with $374.8 millions in the corresponding period of 1937.

The month of October saw a considerable increase in new financing, the total, excluding treasury bills, being $51.6 millions, as against $627,048 in October, 1937.

Substantial issues sold by Quebec, Ontario and Nova Scotia accounted for this improvement.

The municipal market took on new life during October with $1.9 million of bonds issued, compared with $377,048 in October, 1937.

The 10-months total of new corporation financing amounted to $56.1 millions, a substantial decrease from the $125.4 millions issued in the same period in 1937. New financing of this type in October of the present year totalled $1.5 million, compared with $462,300 in October, 1937.

Of the total financing in the first 10 months of 1938, exclusive of treasury bills, approximately 57% was for refunding purposes and 43% for new money purposes. This compares with 83.6% for refunding and 16.4% for new money in the comparable months of 1937, and indicates the growing importance of new money financing.

A comparative table of new bond financing follows:

Comparative Bond Financing
(Compilation by Wood, Gundy & Co.)

Govt. & Munic. to Oct. 1:	1938 $	1937 $
Dom., dir. & gtd. .	238,491,666	234,000,000
Dom. treas. bills ..	520,000,000	485,000,000
Prov., dir. & gtd. .	102,132,000	96,196,000
Ont. municipal ...	4,728,780	25,990,390
Que. & Mari. mun.	15,721,550	17,289,245
Western municipal	1,676,491	1,333,000
	882,750,487	859,808,635
October:		
Dom. treas. bills ..	55,000,000	50,000,000
Prov., dir. & gtd. .	49,567,000	250,000
Ont. municipal ...	533,158	208,648
Que. & Mari. mun.	1,361,000	142,400
Western municipal	44,500	26,000
	106,505,658	50,627,048
Corporation to Oct. 31:		
Public utility	21,450,000	30,918,500
Railway	11,880,000	30,380,000
Indus. & miscel. .	22,780,500	64,057,600
	56,110,500	125,356,100

* * *

Nova Scotia Bonds

In last week's bond market discussion, Moody's ratings of Canadian Government bonds were mentioned. The only point that might be questioned in these ratings is the relative positions accorded to bonds of New Brunswick and Nova Scotia. Moody's rates New Brunswick bonds as A grade and those of Nova Scotia as Baa.

But the Canadian bond market does not confirm this rating for the two provinces, as judged by yields on comparable issues. This was not made clear in last week's discussion and the tabulation is repeated below to eliminate any confusion. The lower yield obtainable from Nova Scotia bonds shows that Canadian bond markets disagree with Moody's ratings for these two provinces.

Maritime Bond Yields

New Brunswick (A rating) Issue	Yield	Nova Scotia (Baa rating) Issue	Yield
3/51	3.76	3/52	3.32
5/60	4.25	5/60	3.76
4½/61	4.12	4½/60	3.67

* * *

Bond Index

The firmness of Canadian Government bond markets was again in evidence in the past week with dull trading. Prices were maintained, chiefly because of a lack of real trading.

Average Price and Yield for Seven High-Grade Government Bonds

1938	Price $	Yield %	1937	Price $	Yield %
Nov. 8	116.68	2.766	Nov. 8	113.32	3.294
Nov. 7	116.36	2.814	Nov. 6	113.31	3.290
Nov. 5	116.36	2.814	Nov. 5	113.28	3.291
Nov. 4	116.36	2.814	Nov. 4	113.11	3.291
Nov. 3	116.23	2.827	Nov. 3	113.11	3.313
Nov. 2	116.13	2.841	Nov. 2	112.87	3.333
Year's	117.21	2.783	Year's	116.81	3.026
Range	111.86	3.389	Range	111.69	3.505

Twp. of Vaughan, Ont.

Dominion Securities Corp. has purchased $4,000 of 3½% installment bonds of Vaughan Township for school purposes at 98%.

Classified Advertisements

Classified ads. payable in advance. and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads. cost 4c. per word

Wanted

LOAN ON $92,000 SINGLE PREMIUM paid up Life Insurance, or any part of it at 4% rate. Apply Box 31, The Financial Post, Toronto, 2.

Mortgage Funds Wanted

AN ESTABLISHED FINANCIAL FIRM in Winnipeg, with good facilities for loaning, wishes to establish a connection with an individual or firm with money to loan in conservative amounts as first mortgages at 6% on dwellings and apartment blocks in Winnipeg. Can furnish bond. Box 33, The Financial Post, Toronto.

Executive Position Wanted

ADVERTISER EXPERIENCED IN Accounting, Sales Management, Advertising and management of Publishing Business for past ten years, seeks opening with larger opportunities as manager of small business, sales manager, special representative or confidential secretary. Present employers aware of proposed change. Box 27, The Financial Post, Toronto, Ont.

Man Measurement

A CONSULTING SERVICE IS NOW available to employers to aid in measuring abilities of men being considered for employment, promotion or transfer. Enquiries invited. R. B. Buchanan, M.A., Vocational Consultant, 57 Bloor St. West, Toronto, Ont. MIdway 5131.

The Conditioning Club

Exercises, Badminton, Table Tennis, Turkish Bath, Showers, Massages and Sun Bath. Individual attention.

9 RICHMOND ST. EAST. AD. 7437

Province of Quebec

3% Debentures
(non-callable)

Price: 98.06

to yield about 3.25% to maturity.

To be used to refund maturing loans, road construction and general purposes.

HANSON BROS.
INCORPORATED
Established 1883
255 St. James St. West
MONTREAL
Ottawa Toronto

Nfld. Light Offers Bonds

Refunds 5½% First Mortgage Bonds at Lower Rate

From Our Own Correspondent

MONTREAL. — Royal Securities Corp. is making a public offering of $793,000 of first mortgage 4½% bonds of Newfoundland Light and Power Co.

Purpose of the issue is to refund $743,000 of 5½% first mortgage bonds which have been called for redemption at 104 on Dec. 10 next. The present 5½% bonds mature Jan. 1, 1971, while the new 4½% bonds will mature Jan. 1, 1956.

The new bonds are being issued to retire present 5½% bonds and to reimburse company for $34,000 in respect of capital expenditures for additions and improvements to property and plant since Jan. 1, 1924. It is estimated the company is entitled to issue $172,000 of bonds against these capital expenditures.

As the company has outstanding at present a total of $1,386,000 of 4½% first mortgage bonds, due 1956, the amount of first mortgage debt on completion of this financing will be $2,179,000.

$793,000
Newfoundland Light and Power Co.
4½% First Mortgage Sinking Fund Bonds
Dated Jan. 1, 1936 Due Jan. 1, 1956

Company—Operates the electric lighting, power and tramways services of St. John's, Newfoundland. Number of light and power customers exceeds 9,000. It also supplies the Bell Island iron mines of Dominion Steel & Coal Corp. Has two hydro-electric stations with combined capacity of 11,500 h.p.

Capitalization—	Author.	Outstand.
1st mtge. bonds ..	....	$2,179,000
Gen. mtge. bonds	$1,000,000	428,500
Com. stk., $100 p.	2,000,000	1,500,000

Earnings—Gross earnings have increased steadily during the past seven years. In 1937 net earnings available for interest and depreciation amounted to $380,608. This is 3.88 times interest charges of $98,055 on the first mortgage bonds to be outstanding. Provision for depreciation is $90,000 annually.

Sinking Fund—Annual payment of 1% of bonds issued.

Security—Rank equally with previously issued first mortgage bonds of 4½% series. Constitute a first mortgage and first floating charge on assets of the company.

Payable—In Canadian funds.

Offered—By Royal Securities Corp. at 101 and accrued interest.

Redcliff Plan Sent to Holders

Settlement of Alberta Town Debt Prepared by McKinnon & Co.

The case of Redcliff and Redcliff School District, Alta. is typical of the many default situations in that province. The town and school debenture debt outstanding is $344,148. Principal and interest arrears at Dec. 31, 1937, were comprised of $78,617 on the town's debentures, and $5,493 on the school debentures.

A plan of settlement of the debenture debt has been prepared by W. L. McKinnon & Co. and presented to debenture holders.

The McKinnon plan calls for:

(1) Payment of principal of $344,148 without interest in full settlement of claims. Payment would be spread over 1938 to 1975, inclusive.

(2) Cash payment of $33,644 on town and school bonds, representing 40% of the $84,110 of debenture arrears, to apply on principal account.

(3) Balance of principal, $310,504 would be paid off in 38 years, which is the term of the present debentures. This would require an annual payment of $8,171.

(4) Alberta Savings Certificates to the amount of $19,380 will be held by the town as a reserve fund to rehabilitate public works.

The plan is regarded by W. L. McKinnon as a model for possible use in similar situations.

Town of Truro Sells $200,000 Bond Issue

From Our Own Correspondent

MONTREAL. — Truro, N.S., has sold an issue of $200,000 of 3½% sinking fund debentures to W. C. Pitfield & Co. at 101.47, on a cost basis to the town of 3.40%. The debentures are being offered at 102.25 and accrued interest to yield 3.34%.

A sinking fund of 3½% per annum is to be established, sufficent to retire the entire issue at maturity.

Truro had a gross debenture debt at Dec. 31, 1937, of $1,048,210 against which there is held a sinking fund of $555,438, leaving a net debenture debt of $492,772.. These figures of debenture debt do not include the issue now being offered. Bank loans total $3,298.

Tax levy in 1937 amounted to $168,825 and collections of current taxes amounted to $149,188, or 88.3%. Total collections, including arrears amounted to $167,451, or 99.2% of the levy. Tax arrears total $31,283.

Other bids follow:

Acadia Trust Co.	100.26
Dom. Secs. Corp. } T. M. Bell & Co. }	99.625
J. C. Mackintosh & Co. } Royal Bank .... }	99.29
Nova Scotia Bond	99.10
Cornell, MacGillivray	99.099
Bell, Gouinlock	99.86
F. J. Brennan } A. E. Ames .. }	98.81
Johnston & Ward	98.78
Royal Secs. Corp.	98.57
Eastern Securities	98.556
Mills, Spence & Co.	98.28
Matthews & Co.	97.571
R. A. Daly & Co.	96.59

Quebec Bond Issue Entirely Taken Up

From Our Own Correspondent

MONTREAL.—The recent Province of Quebec issue of $30 millions of bonds offered by a syndicate of banks and investment dealers has been entirely taken up.

The issue consisted of $5 millions of 2% three-year bonds, $5 millions of 2½% five-year bonds and $20 millions of 3% nine-year bonds. Public offering was made of the $20 millions nine-year bonds only. The three- and five-year bonds were purchased by the banks.

Bond Tenders

5 p.m., Nov. 23, Grand'Mere, P.Q.—$15,000, 3½ or 4%, dated Nov. 2, 1938, maturing in series from Nov. 2, 1939 to Nov. 2, 1968, or maturing also in series with the issue renewable for 15 years on Nov. 2, 1953. Leo Gervais, sec.-treas.

6 p.m., Nov. 14, Beauport, P.Q.—$170,000, 4%, dated Dec. 1, 1938, maturing serially from Dec. 1, 1939 to Dec. 1, [illegible] inclusively. [illegible], sec.-treas.

Hydro Contract Boosts Income

(Continued from page 1)

year full deliveries will be made, bringing the total of 25-cycle power up to 260,000 h.p. and eliminating the reserves.

Add 12 Cents a Share

On the current increase in deliveries the 35,000 h.p. of 25-cycle power was drawn from the general reserve on which Hydro had been paying $1.75 per h.p. This means an increase in gross revenue of $376,250, represented by the difference between the firm power charge of $12.50 a h.p. and the reserve price of $1.75 a h.p.

On the 60-cycle power increased delivery, Gatineau will receive $119,250 h.p. Half of the additional 18,000 h.p. delivered was held as immediate standby and the other half as general reserve. Consequently gross income is increased by $10.75 a h.p. on 9,000 h.p. and $2.50 per h.p. on the other 9,000 h.p.

In all Gatineau's revenues for the next year on Hydro deliveries are increased by $495,500. This will be offset partially by reduction in the revenue received from power sold for the generation of steam. There is no official information on the revenue from steam, but it is not likely to amount to more than $300,000 on the 53,000 h.p. This would leave a net gain of nearly $200,000, or the equivalent of around 12 cents a share on the 1,621,960 shares of common outstanding.

Beauharnois Adds Unit

As regards Beauharnois Power Corp., the increase of 25,000 h.p. in deliveries to Hydro will add $312,500 to the company's revenues over the year.

This additional income already has been calculated in the returns of Beauharnois, as set out in the recapitalization plan adopted earlier in the year. For 1938 Beauharnois expects a gross income of just over $3.7 millions and for 1939, fractionally under $4 millions.

In connection with Beauharnois it is learned that the company is now completing the installation of the 10th and last unit, bringing the rated capacity of the plant up to the original estimate of 500,000 h.p.

Fix Up Maclaren

Maclaren-Quebec Power Co.'s position undergoes a material improvement as a result of the increase in deliveries at the beginning of the month. The company is now delivering to the Leaside substation 60,000 h.p. By 1945 the deliveries will be up to the full contract amount of 100,000 h.p.

On the basis of previous power sales to Hydro and the James Maclaren Co., Maclaren-Quebec's revenues were short of meeting full bond interest requirements and operating expenses. For the coming year such charges will be covered comfortably.

From Ontario Hydro, Maclaren-Quebec will receive a revenue of $750,000 over the next year and from James Maclaren Co. $600,000, making a total income of $1,350,000.

May Lower Charges

Maclaren-Quebec's interest charges on the existing funded debt amount to $990,000 annually, while another $200,000 is required to cover operating expenses, making in all $1,190,000.

In view of the strengthening of Maclaren-Quebec's earning power, it is expected that steps will be taken before long to finish the company's financing plans. At present the power company has a first closed mortgage of $18,000,000 of 5½% bonds. In addition the company has substantial advances from the parent company, Maclaren Power and Paper, which will have to be funded sooner or later.

With Maclaren-Quebec Power's finances on a sounder and larger basis, consideration likely will be given to the matter of funding the advances of the parent company and also to the possibility of refunding the existing debt on a lower interest basis.

Bond Sales

Town of Cornwall, Ont.

Harrison & Co. has purchased $22,382, 3½% serial debentures of Cornwall, Ont. at 102.375, on a cost basis to the town of 3.24%. The bonds are due Nov. 1, 1939 to 1958.

Other bids were as follows:

Dominion Securities Corp.	102.27
Royal Securities Corp.	102.12
Wood, Gundy & Co.	102.08
Harris, Ramsay & Co.	102.06
Fry & Co.	101.40
Mills, Spence & Co.	101.33
Bell, Gouinlock & Co.	101.30
Frank L. Craig	101.10
R. A. Daly & Co.	100.83
A. E. Ames & Co.	100.12
Dyment, Anderson & Co.	100.11

Hull, Que.

A $292,500, 4% serial issue of Hull, Que. has been sold to Hanson Bros. Inc. and L. G. Beaubien & Co. at 98.50. $237,500 of the bonds are dated Nov. 1, 1937, maturing 1939 to 1957 and $55,000 is dated Nov. 1, 1938, maturing 1939 to 1958.

A joint bid of 96 was submitted by Paul Gonthier & Co., Provincial Bank, Dominion Securities Corp., Credit Anglo-Francais and A. E. Ames.

St. Jean Vianney

From Our Own Correspondent

MONTREAL. — Credit Anglo-Francais has purchased at 97.50, $30,000 serial debentures of the School Commission St. Jean Vianney, P.Q. This issue is comprised of $10,000 3½% bonds, maturing 1938 to 1940 and $20,000 4% bonds maturing 1941 to 1953.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Riordon Pulp ...	‡6%	1942	Dec. 31	105
Mississippi River Power	*5%	1951	Jan. 1	105
Aluminium	▲5%	1948	Jan. 1	103
Eastern Car	†6%	1952	Jan. 1	105
Can. Foundries ..	■6%	1942	Feb. 2	110
Porto Rico Tel. .	°6%	1944	Dec. 1	105

For sinking fund purposes:
‡$85,900. *$152,900. †$40,000.
▲$3,000,000. ■$38,000. °$40,900.

Inter City Western Makes Distribution

From Our Own Correspondent

MONTREAL. — Bondholders and shareholders of Inter City Western Bakeries have been notified that sale of the company's assets and undertakings have been completed.

Distribution under the sale arrangement approved by bondholders and shareholders will now be made by Montreal Trust Co.

First mortgage bondholders receive 41% of the principal amount of bonds held. Preferred shareholders get 51¼ cents a share and common shareholders 10¼ cents a share.

A GENERAL MOTORS VALUE

The New LA SALLE IS HERE!

WE WANT YOU TO SEE what is unquestionably the *smartest* motor car ever offered in the medium-price field—and, by all odds, the *finest!* We refer, of course, to the new LaSalle V-8!

First of all, it's beautiful! From its narrow racing-type radiator to its smart rear-end ensemble, it is sleek, tasteful, and in perfect balance. One look—and you can see why people acclaim it.

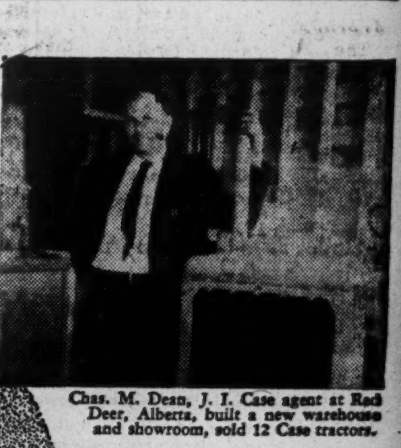
V-8 CADILLAC ENGINE

Furthermore, it is the finest-riding and the finest-performing car the medium-price field has ever known.

And the price is literally a revelation. Actually, LaSalle costs no more than any car you would seriously consider.

If you intend to pay as much as $1500 for your next car—you ought to get a LaSalle. See your dealer—and see for yourself!

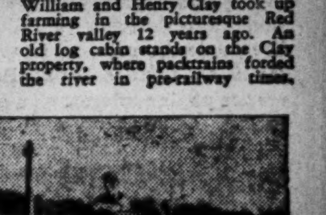
CAD-39



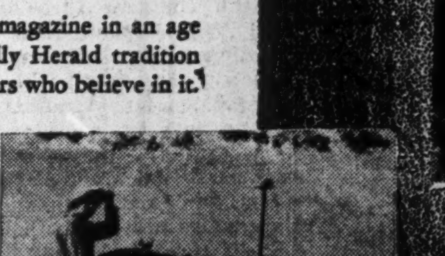
Chas. M. Dean, J. I. Case agent at Red Deer, Alberta, built a new warehouse and showroom, sold 12 Case tractors.

T. H. Rodney, Family Herald reader and Dean look up spare part he wants in a hurry. As he dashed off, Rodney called: "Sure it's a fine paper. I read nothing else."

William and Henry Clay took up farming in the picturesque Red River valley 12 years ago. An old log cabin stands on the Clay property, where packtrains forded the river in pre-railway times.



Here's William Clay himself, driving the new Case tractor on part of his 360 acres along the Red Deer River basin famed for fine land.



Ben Truddell greets us from his Case tractor, as he's getting ready to shift the threshing outfit. [illegible] have read the Family Herald & Weekly Star for years.

FAMILY HERALD & WEEKLY STAR

"Is FIRST in the Field!"

. . . is the conviction of Charles M. Dean, owner of Red Deer Farm Equipment Company, Red Deer, Alberta, a Family Herald & Weekly Star reader, "ever since I can remember. There's real value in the Family Herald. Unquestionably the paper has a very strong influence both on farming and purchasing habits in the community," he avers.

Dean's opinion has special interest, since he is agent for J. I. Case implements, Renfrew separators and stoves, Fairbanks-Morse pumps. Has overheard farmers in his office talk about the Family Herald, often looking up advertisements in back copies.

One of his customers is William Clay, Family Herald reader for more than two decades. Says he: "The Family Herald is the best farm paper I've ever seen. It just can't be beaten". This year Clay bought a 10-20 Case tractor and a Case furrow plow from Dean. Is considering buying a new binder and a seeder for the tractor.

Another Dean customer and Family Herald reader is Ben Truddell who bought a Case rubber-tired tractor recently, also a Case drill — has seen many Case advertisements in the Family Herald.

Wherever we take a searching look at Canada's rural market (as in Red Deer) we find men like Dean, Clay and Truddell, wholeheartedly outspoken and enthusiastic about the Family Herald.

This is an amazing tribute to a 68-year-old farm magazine in an age of sensational journalism! It shows that the Family Herald tradition is not handed down by editors alone—but by farmers who believe in it.

From coast-to-coast this tradition is kept alive in 300,000 farm homes — homes where old loyalties and lasting friendships flourish — homes where the Family Herald is proud to take you week after week — for a long stay!

Your advertising agency or a representative from the Family Herald will tell you more about the "Searching Look" into Canada's farm market, the factual story of a nine thousand mile exploration in the Family Herald market — just completed.

FAMILY HERALD & WEEKLY STAR
MONTREAL ESTABLISHED 1870

CANADA'S NATIONAL FARM MAGAZINE

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of All Canadian Financial Papers

Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

THE FINANCIAL POST BUSINESS YEAR BOOK AND MARKET SURVEY, YEARLY, $2.

THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, YEARLY, $2.

THE FINANCIAL POST SURVEY OF MINES, YEARLY, $2.

DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS, $10.

THE FINANCIAL POST SURVEY OF CANADIAN OILS, YEARLY, $1.

THE FINANCIAL POST CORPORATION SERVICE, $20 monthly. Special prices for individually selected investor's service.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Avenue, Toronto 2,

Founder and Chairman—JOHN BAYNE MACLEAN
President—HORACE T. HUNTER

Vice-President and General Manager—
H. VICTOR TYRRELL

ADVERTISING RATES
Single insertion—$4.20 per inch.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

GREAT BRITAIN, London—Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1. Telegraphic Address, Atabek, Lesquare, London.

TORONTO, NOVEMBER 12, 1938

The Financial Post's Platform for Canada

Balanced budgets.
A modernized constitution.
Extension of Empire trade.
Integrity in meeting public obligations.

Bankruptcy and Leadership

CURRENT controversy about national "bankruptcy" has an important virtue. It helps maintain our perspective. The controversy arose from an editorial statement in Toronto's Globe and Mail which was at once challenged by business and financial leaders, many of whom expressed their views in last week's Financial Post.

Subsequently The Globe and Mail published an explanation of its "metaphorical assertion" by commenting:

> "Every one knows a nation doesn't go into bankruptcy like an individual or firm, but when bankruptcy of leadership is combined with extravagance and governments continue to go behind with their budgets, no term is too strong to apply to the situation.
>
> "If the word serves to shock the public into a sense of realities it ought to be used and repeated. Only by facing the facts can wasteful spending be halted and the credit of the country preserved."

Most Canadians will agree with this statement of the facts. They will also agree with the remark made last week to The Post by C. H. Carlisle:

> "There is no need for national bankruptcy in this country if governments would aid industry in pursuing sound policies. Excessive debt and taxation as well as unwarranted and unwise governmental control are however exercising a retarding influence on the ability of business in Canada to give employment and operate at a profit."

National affairs may border for years on the edge of bankruptcy without the sheriff actually knocking at the door. A nation may sap its human and material resources for a decade or generation without having to sell out at so many cents on the dollar.

Canada's public affairs are in that position today. There has been wasting and drifting now for many years.

The policy of political leaders at Ottawa has been to let things drift until such time as the national income starts to rise again. They know the sheriff is round the corner watching Canada's bills and debts accumulate. They think they can stall him off until good crops and better business put more dollars in the national till.

What these so-called leaders fail to realize is that the job of leadership is to lead; to give direction, not to permit drift.

Canadians are justified in their concern for national well-being so long as political leaders fail to act with courage in matters of public policy. They are justified in their fear of eventual bankruptcy so long as public waste continues unabated in the administration of our relief policy, our railways, our unemployment problem and in the mounting liability of public debt and taxes.

Canada can easily eliminate the national wastes that lead to bankruptcy if she wishes to do so.

The first step is establishment of the leadership principle in Canadian public life.

This means requiring of political leaders that they act with courage in matters of public policy and that they give direction and leadership to public opinion rather than permit drift.

Retiring Canada's Debt

MUNICIPAL governments in Canada are junior organizations in the governmental set-up. Yet they can teach their seniors, the Dominion and the provinces, a few lessons in sound finance.

The Dominion makes practically no provision for retirement of debt. The provinces have sinking funds, but in every case they are far below requirements. Provincial taxpayers are paying interest on a heavy deadweight debt.

Elsewhere on this page appears a letter from E. A. Danby, City Treasurer, Brantford, Ont. He points out municipal bonds are becoming increasingly popular with investors because municipalities provide for debt retirement.

• • •

It is time governments in Canada realized sinking fund provisions are an ordinary charge of government in the same way that interest charges are. Non-provision of sinking funds by governments is comparable with a corporation making no provision for depreciation.

At the present time a government may issue bonds in order to finance pavement of highways. No provision is made for retirement of the debt and at the end of 20 years it may be necessary to replace the pavement. Bonds are issued to finance the replacement and taxpayers pay interest on a debt greatly in excess of the value of the assets it represents.

Few people realize the extent to which debt charges are responsible for the high level of taxation in this country. In the case of the Dominion Government, interest charges total 25% of all expenditures. With some of the provinces, the percentage is even higher. Unless provision is made to reduce the amount required for interest by debt retirement it will be difficult for governments to reduce taxation.

• • •

It is unfortunate the Fathers of Confederation, in drawing up the B.N.A. Act, did not make it a constitutional responsibility for all Canadian governments to provide proper sinking funds for debt. They, of course, did not envision a burden of debt such as we have today. But limitation of borrowing powers and statutory sinking fund requirements would have been a good thing for the provinces just as it has been for the municipalities.

This is apparent from the experience of western Canada. If the western provinces had made proper provision for retirement of debt the crisis in western Canada during the past depression would certainly have been less severe. It is even possible, if they had taken advantage of prosperous years to retire debt out of surpluses as well as set aside sinking funds, there would have been no major crisis in western provincial finance.

Their Majesties and St. Maurice

THEIR Majesties will spend three weeks in Canada next year. They can spend the time in meeting the "local dignitaries" or they can be shown, as well as the world, what an important part the Dominion occupies in the Empire scheme.

They can take back with them a kaleidoscopic impression of receptions and dinners which are everyday occurrence for the Royal Family, or they can return impressed and inspired by the development of a Dominion that is the most important link in the Empire chain.

In one relatively small area of this country we have an economic empire which cannot be duplicated in any part of the British Commonwealth of Nations — the St. Maurice Valley area of Quebec.

Fifty years ago this section, half way between Quebec City and Montreal, was given over to wilderness and the trapper. Look at it today!

One of the greatest developed and undeveloped hydro-electric power sites in any country.

Nearly 20% of the world's newsprint production is manufactured in the Valley; it is the centre of some of Canada's largest textile mills; it holds the only Cellophane plant in the Dominion and numerous other major industries. Within a few miles of the Valley are the world's largest asbestos deposits and the centre of the Canadian silk industry.

What could be more fitting or impressive than to have the reigning head of the British Empire see for himself one of the principal reasons for Canada's greatness—the economic empire of the St. Maurice Valley?

The National Committee would not lack for co-operative support from the industries or the people of this area, if the Valley were made part of the itinerary for Their Majesties' visit next summer.

Newfoundland's Government

WRITING in the Fortnightly Review, Thomas Lodge, former member Commission of Government in Newfoundland, declares there has been no improvement in the basic economic situation in that country. He does not blame the Commission Government but is critical of the system under which it operates. Handicaps, he says, make it impossible to achieve its objectives.

Mr. Lodge says responsibility for government should rest entirely with the Commission rather than with the Secretary of State for the Dominions. This is a good suggestion. Wider powers would make it easier to initiate and consummate rehabilitation plans. They might well be granted, subject to financial check by the British Exchequer.

There are other reasons why greater progress has not been made.

First, there has been lack of continuity of membership of the Commission. A Commissioner's term is too short. He barely becomes acquainted with the country's problems when he is replaced. It is difficult to see how success can be achieved if this policy is continued. A business organization could not be rehabilitated if there was constant change of management. The same is true of a country.

Secondly, the Commissioners have had too little time to plan and formulate policy and to become acquainted with the people and their problems at first hand. Their time is taken up with too much administrative detail.

This is partly the result of the condition of the Civil Service at the time the Commission Government took office. Under self-government there was no permanency to Civil Service positions so that the Commission inherited an untrained and inefficient staff. Though now being remedied, it has placed an additional burden upon the Commission.

One possible solution is the enlargement of the Commission. Those responsible for planning economic rehabilitation and broad policies should not be burdened with administrative detail. The latter work should be left to others and at least some members of the Commission should be devoting their entire time to seeking methods for improving Newfoundland's welfare.

Newfoundland has far from solved its problems but it is difficult to agree with Mr. Lodge that there has been no improvement. The Commission has done a great deal to aid the fishermen and other groups in the colony. Much still remains to be done, for no country can be rehabilitated overnight. Certainly the colony is not ready for a return to self-government as suggested by some who would abolish commission rule entirely.

The granting of wider powers to an enlarged Commission with provision for greater continuity would go far to meet objections and criticisms raised by Mr. Lodge and other observers.

Achievement in Peace

ONE of the first Britishers to sense the new opportunity for achievement in peace that came to England following the European crisis was Sir William Crawford, head of the great advertising agency which bears his name.

Under the caption, "Have Faith in Britain," he published a signed statement in British papers urging his fellow-countrymen to keep their perspective and plan at once for bigger, better things in the days to come.

> "Let us, individually, give ourselves over now, not to fear of war, but to the enterprises of peace. Let us work harder, plan new efforts, new developments in our trades and industries. Let us dig the trenches—of peace!"

Every age and nation has had its prophets of doom. In Britain such names as Shaftesbury, Disraeli, Wellington, Wilberforce and Pitt have at one time or another been linked with warnings of impending national disaster.

Such warnings play an important part in national life if they serve to arouse public opinion to the need and challenge of the times. They achieve maximum results if coupled with constructive political leadership of the type suggested by Sir William Crawford.

Canada needs such leadership today.

She needs to sense the danger of continual drift in matters of public policy. She needs a new vision of the accomplishments that are possible if constructive leadership can harness and discipline the country's vast human and material resources.

The Editorial Page

PRESIDENT ROOSEVELT told a press conference that few people read editorial pages. The late Adolph Ochs, publisher of the New York Times had told him that only 8 per cent of Times readers read the editorial page of that paper, admittedly the most widely quoted page of all American editorial pages.

The president's statement is unconvincing. A recent survey across the border showed that 28% of men readers and 15% of women readers read the editorial page of daily papers.

A careful study by The Financial Post showed that of our readers, 70.3% read the editorial page.

Editorials in Brief

The other day we dictated a "Saying of the Week" from Henry A. Wallace, U. S. Secretary of Agriculture, in which he exhorted farmers to dump their produce in the home market if they had to dump at all.

This is the way it came back to us: "If we must dunk, let's dunk at home."

• • •

A reader in Antigonish thinks he has "caught out" Atticus in an error. Atticus referred to a novitiate with shaved head and rough cassock. "Tell Atticus," says the reader, "that a 'novitiate' is a big house, usually built of brick, and seldom possessing a 'dome,' shaven or otherwise."

Oxford English Dictionary does indeed offer "quarters occupied by novices" as a definition of novitiate. But it gives this definition too: "A novice in a religious order."

Atticus used the word correctly.

• • •

Many conclusions are being drawn from the hysteria and mass delusion which followed the celebrated Orson Welles radio broadcast of a week ago.

One viewpoint generally overlooked is the fact that millions of radio listeners have now adjusted their ears and minds so as to be almost unconscious of announcements which precede, interrupt or conclude a broadcast.

The deluge of protests which came to a competitive brand of coffee when an objectionable broadcast was put on the air some months ago is a further case in point.

• • •

Appointment last week of Dr. George S. Whitby as director of the Chemical Research Laboratory of the Department of Scientific and Industrial Research at London, honors both the National Research Council and Dr. Whitby.

In the nine years he has been director of the Division of Chemistry of the N.R.C., Dr. Whitby has made an outstanding contribution to industrial and chemical research in this country. His department at Ottawa comprises 53 persons, 31 of professional ranking and all trained and organized under himself.

Though Dr. Whitby's promotion is to be regretted from a selfish point of view, the foundations being laid at Ottawa by Dr. Whitby and other members of the National Research Council staff under the able direction of General A. G. L. McNaughton, may be expected to prove of increasing worth to Canada in years to come.

Sayings of the Week . .

"I've learned one thing, no problem is solved until you try."—*Eleanor Roosevelt.*

• • •

"The world is at the crossroads; the choice is guidance or guns."—*Frank Buchman.*

• • •

"Both Canada and the United States have their public whales who spout off steam."—*W. J. Cameron.*

• • •

"I have decided to give the German Reich a defence force that will be conducive to peace being kept."—*Reichsfuehrer Hitler.*

• • •

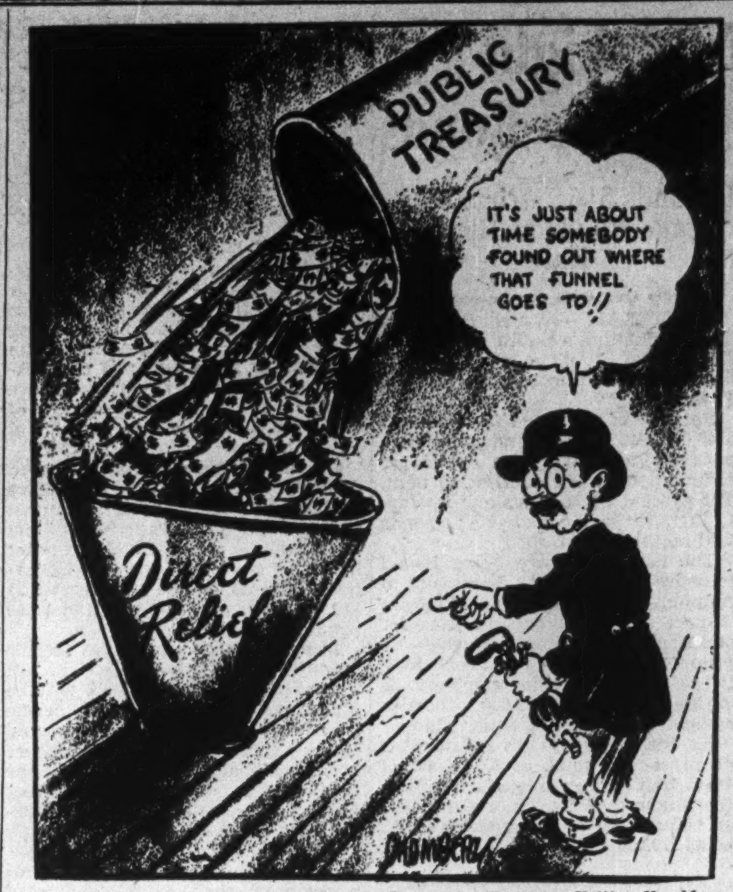
"We shall never cure unemployment in Canada until private enterprise revives, and private enterprise will never revive until taxation is lessened."—*Sir Edward Beatty.*

• • •

"The working man appreciates a long week end. The mid-week break is detrimental to many types of business."—*F. D. Tolchard, general manager, Toronto Board of Trade.*

• • •

"I think the idea of a Monday holiday for Victoria Day a good one. As for the King's birthday, we observe that six months ahead of time anyway, so a variation of two or three days should not matter. Dominion Day might be a little more difficult to deal with, but I think it could be done."—*Mrs. W. G. Lumbers, National President, Imperial Order Daughters of the Empire.*


PUBLIC TREASURY
IT'S JUST ABOUT TIME SOMEBODY FOUND OUT WHERE THAT FUNNEL GOES TO!!
Direct Relief
CHAMBERS

Cartoon by Chambers, Halifax Herald.

NUMBER ONE PUBLIC WASTE

The Royal Visit . . .

Sane and Timely

Editor, The Financial Post,—

I would like to compliment you on the editorial which appeared in The Financial Post on October 29—"When Their Majesties Visit Canada."

You undoubtedly have had many favorable comments on this and I would like to add my little word for I consider it the sanest and most timely article I have seen with reference to Their Majesties' proposed visit. Canada has so much of interest in its scenery, its natural resources and its industrial development and we can only hope that those in charge of arrangements will show some cognizance of this.

W. R. CAMPBELL.
Windsor, Ont.

Very Opportune

Editor, The Financial Post:

Your splendid editorial on the subject of the visit of the King and Queen to Canada next summer is very opportune. I hope will be taken to heart by the authorities responsible for the arrangements of the visit of Their Majesties.

Through the world-wide publicity that will accrue from the Royal visit, we have a wonderful opportunity to show the rest of the world that Canada is not just an outpost of civilization, but a land inhabited by virile and intelligent people, and blest by nature with resources second to no other country in the world.

As Canada's leading financial paper, you have a great opportunity to influence public opinion, and I sincerely hope you will keep up the good work!

A. H. C. BEAIRSTO,
Toronto, Canada.

Great Things for Canada

Editor, The Financial Post:

I was interested in your Nation's Business column under the title "When Their Majesties visit Canada."

Over the last 25 years I have spent a lot of time around our paper mills and our mines. Your suggestion that our King and Queen should be taken to see some of them rather than to have them dilly-dally around unveiling monuments, attending banquets and listening to dull, routine speeches, would be a great thing for Canada.

More power to you!

F. C. McCRACKEN,
Montreal, Canada.

Ministry of Tourist Trade

Lethbridge Herald

Since 1933, Canada's tourist trade has grown in volume from some $133,000,000 to almost $300,000,000 last year. This business now stands fourth among Canadian industries, it is stated. It can be made to produce a total volume of $500,000,000 yearly, those who have studied our tourist possibilities claim, and any industry which can produce half a billion dollars of new revenue annually is a very important industry and should be treated as such.

At the recent meeting of the Canadian Chamber of Commerce in Quebec, D. H. Gibson, vice-president of the Toronto Board of Trade, spoke vigorously in favor of a national and concerted effort to build up our tourist industry. So important did Mr. Gibson consider the possibilities that he quoted a letter from Senator W. H. Dennis of Halifax, who urged that Canada "should have a separate department at Ottawa, presided over by a full-time Minister, charged with the duty of promoting the tourist trade." At first blush that may seem to be going rather far, but if there is a possibility of building up a $500,000,000 industry in this country by promoting the tourist traffic, then the proposal should be given serious consideration.

Certainly there should be a department at Ottawa, presided over by at least a deputy minister, whose duty it would be to co-ordinate all efforts of the Dominion toward the end of securing the largest possible volume of tourist trade. This department should seek to map out a national programme in which the Dominion and the provinces would co-ordinate for the building of tourist highways, the development of the best publicity and its distribution where it would produce the best results, and the creation of a national consciousness looking to the best care and entertainment of tourists when they come. It might be that some plan could be found for the amalgamation of the parks and publicity departments at Ottawa. We mention the national parks particularly because they are among our chief attractions for tourists. By making them available to tourists over hard-surfaced highways, and by giving them good publicity in the big centres of population they can be made to attract thousands of people more than at present. The record of Waterton National Park this season, connected with United States for the first time by a hard-surfaced highway, indicates the line upon which a unified tourist department might work.

Certainly the idea of a national tourist department with wide powers to secure the co-operation of the provinces could do a great work for Canada. It is a plan which might well be tried out in view of the opinion now so widely held that expansion of our tourist traffic into a $500,000,000 a year industry is a possibility.

More For Tourist Publicity

Saint John Times-Globe

This newspaper has consistently supported the cause of economy in the administration of provincial affairs. Frequently it has urged the curtailment of expenditures to the lowest point consistent with the adequate maintenance of necessary services. But it approves heartily the opinion expressed by Hon. F. W. Pirie, minister of lands and mines, that the time has come to place greater emphasis on the advertising of the tourist attractions of New Brunswick, and his proposal to increase the amount of money devoted to that purpose.

Advertising is not enough to ensure a continuity of the traffic. The best arrangements possible must be made to care for those who come while they are here. We have the scenery, the beaches, the climate, the hunting and fishing and other lures, and now we have the good roads. The next step will be to provide adequate and suitable accommodation for shelter, meals, etc. With these features attended to there is no reason why the tourist business in New Brunswick should not increase many fold within the next few years.

In the Mail . . . .

Canada's Unemployed

Editor, The Financial Post:

The article which appeared in a recent issue under the headline, "The Minister Should End Relief Drift," very pertinently said: "Canada is approaching its eighth year with relief as the national problem—that few steps toward a solution have yet been taken is a responsibility that lies directly on Mr. King's doorstep."

Mr. Hepburn with his doorstep should be in the picture in consequence of his political comradeship with Mr. King in the matter of relief. In both cases it is the faculty to do rather than the way that is at fault.

A local contemporary in a timely article pictures the successful efforts of the Province of Quebec in placing the unemployed on the land. Moreover, the North Bay contemporary in an effort to arouse Hepburn asserted: "Quebec's system is as workable in Ontario as in the neighboring province."

The solution of relief is obvious so it lies with The Financial Post to use its widening influence to stop further dallying and drifting.

MALCOLM CAMERON.
Ottawa, Ont.

Retiring Our Debt

Editor, The Financial Post:

I have read with considerable satisfaction, your editorial in the last issue of The Financial Post entitled "Retiring Our Debt."

Just last week an executive of one of the banks pointed out to me that municipal bonds were becoming increasingly popular because municipalities were definitely committed to the retirement of their debentures at maturity. The larger governmental bodies, on the other hand, either permitting their debt to remain stationary, or, as is generally the case, increasing same. You may have noticed Ontario municipalities have reduced their total debt by some $70 millions during the past five years.

I just wanted to commend you on this editorial, because while there has been a lot of criticism of high municipal tax rates, and criticism of municipal governments. The fact remains that, generally speaking, municipalities have kept their financial houses in order. This demonstrates that our system of municipal government is not as bad as some parties would have us believe.

I am particularly interested in the trend of municipal debt, as I happen to be the Canadian director of the Municipal Finance Officers' Association of the United States and Canada. I agree with you that while lower taxes are desirable, the surest way to reduce taxes is to reduce the outstanding debt.

E. A. DANBY,
City Treasurer,
Brantford, Ont.

Post-Scripts . . . .

Stubborn Romanticists

This month Lord Nuffield is opening a new plant for Weston Biscuit Company, in the industrial black area of South Wales.

LORD NUFFIELD

The affair brings together two men who have been doing things on a big scale in the Motherland. Lord Nuffield is William Morris, the bench mechanic who introduced mass production into British automobile manufacture and created a vastly successful enterprise. Now he is engaged in distributing his fortune; millions to Oxford, millions to medicine, millions to finance new industries in the distressed areas.

Garfield Weston is the 40-year-old Toronto baker who in five years has become a top figure in the biscuit manufacturing and baking industry of Britain. He was one of the first to seek a loan from the Nuffield fund. With the money he has built his Cardiff plant, which was in operation for several weeks before the official opening.

• • •

Five years ago Mr. Weston went to England carrying with him a big idea: that England was a land of opportunity.

He argued it out this way:

British business methods were old and tired. Any young man with a background of North American methods of production and salesmanship could hardly help but make good in Britain. He had been brought up in the bakery and biscuit business in Canada and had expanded into the United States. He found the competition tough. There were too many smart young men in this continent.

Before going to England he had a survey made of the British biscuit industry. He knew the capacity of every plant, its price range, its market. He believed Britain was ready for new methods. He bought a small biscuit plant in Aberdeen and moved it to Edinburgh. He built a new plant at Slough, near Windsor, and launched a line of good biscuits at prices previously unknown there. His standard prices are 6d and 8d a pound less even than Canadian prices. The plant runs three shifts a day. The first two pay expenses; the last shift makes the profits.

Weston then went into the bakery business, buying up established bakeries in several large cities, uniting them in Allied Bakeries, Ltd. In most cases he left the old staff in charge. Financing was easy because many of the owners took stock in the new company. Some stock was sold to the public at five shillings a share. It is now quoted on the London Stock Exchange at nine shillings.

Profits of the combined biscuit and bakery enterprises (George Weston Foods is the holding company for Weston Biscuits Company and Allied Bakeries) have grown steadily—by £100,000 a year for five years. They will exceed half a million pounds in the current fiscal year.

• • •

Reinless Dreamer

People in England are getting to know this eager young Canadian. He is acquiring a reputation in the City that is bringing him numerous invitations to sit on directorships, to head charity drives, etc. Most of these are firmly declined. But he has taken on the chairmanship of the committee that is setting out to raise £200,000 for Queen Mary's University that provides opportunities for underprivileged youths in the East End of London to obtain an advanced education at small cost.

GARFIELD WESTON

Mr. Weston lives in a lovely house on a 200-acre estate near Marlow-on-the-Thames. Once the property of Lord Devonport, the estate is notable for one of England's finest rock gardens, built—like the Butchart gardens on Vancouver Island—in an old quarry. From this quarry the rock was taken to build the Round Tower of Windsor Castle. Mr. Weston is maintaining the garden in its traditional beauty. The grounds provide ample room for his eight children to grow up in the spreading green glory of the English countryside.

• • •

Garfield Weston is the reinless dreamer in business. His ideas are usually years ahead of his accomplishments. He seeks out the advice of older, more conservative men who he knows will counsel him to tread softly when he seeks to rush ahead too rapidly. But he is better at listening to advice than he is at taking it. Most of his successes—so far—are the result of ignoring wise counsel, which may be evidence of his sagacity or may be much too good luck.

Recently "Georgian," who writes in the Women's Journal of London, published an interview with Mr. Weston in which the latter told of the inspiration he captures from his family of eight children. "I believe in big families" was the burden of the interview.

Mr. Weston's stubborn romanticism is shown in his reiterated refusal to sell a 250-year-old rug that is now the central object of the living room of his Marlow home. He has been offered a fabulous price for the rug because an American multi-millionaire collector covets it. But Mr. Weston won't sell it because each of his eight children has played on it. When he built himself a house in New Jersey a few years ago he had the house designed to go around the rug.

• • •

Already the largest buyer of flour in the Old Country, outside of the Co-operative Societies, Mr. Weston is a booster for Canadian wheat and enjoys the thought that he is helping to enlarge the market for Canadian wheat growers in the Old Country. Someone recently perpetrated a foul pun in proposing a toast to Mr. Weston "Yeast is yeast and Weston is its biggest buyer."

His offices at Slough look over meadows and green fields. It is rumored that he is going to move his private offices to downtown London. The story is told that before he agreed to sign a lease for the top floor of a new building going up near Piccadilly Circus he had the landlord design him a suite of offices to be built around a central roof garden. He wants to be able to look out of his office window and see an English garden.

• • •

Weston works hard five days a week and plays with his children the other two. He has a rule not to go to his office on Saturday morning. He has only once broken it. That was during the crisis when he was working on organization of food supplies for Britain.

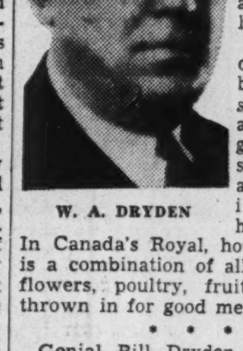
Each year he holds a Christmas dinner at the ultra-smart Savoy Hotel for his wholesalers and sales managers. Here music and speeches combine to arouse enthusiasm for his organization. Meetings of his salesmen always open with exciting march music. His successful community sing-songs at Sunnyside Beach amusement park in Toronto have given him an idea, now in process of elaboration, for organizing musical festivals all over Britain to promote Weston biscuits.

Garfield Weston's progress in England in five years has been remarkable. There are those who think his business has grown too rapidly for its own strength but the balance sheet figures and the earnings growth are, nevertheless, impressive. And he is just at the "Life Begins at 40" stage.

• • •

Toronto's Royal

The Royal Agricultural Winter Fair which opens in Toronto next week lays claim to two records for "bigness." It is easily the biggest livestock show in the world and in William A. Dryden it has the biggest manager of any major exhibition.



W. A. DRYDEN

There are other great beef cattle shows. There are other great dairy shows. There are equally important horse shows. In Canada's Royal, however, there is a combination of all three, with flowers, poultry, fruit and seeds thrown in for good measure.

• • •

Genial Bill Dryden stands over six feet tall in his stocking feet and is built in proportion. He came to the Royal two years ago with as practical a knowledge of livestock shows as any man on this continent.

He has raised prize livestock, shown it and judged it. As a judge of Shorthorn cattle and Southdown sheep he is not only familiar to exhibitors in all the big shows of Canada but has also officiated in Great Britain, United States, the Argentine and Uruguay.

For several years after the war a special train used to bring cattle buyers to his famous annual sales at the home farm near Brooklin, Ontario. Here recent imports from Scotland, personally selected by Mr. Dryden were sold to top-hat farmers and others. Total values set at one of these auctions still hold as a North American record.

The Dryden family have long been known for two interests, politics and beef cattle. As provincial minister of agriculture in the old Ross government Bill Dryden's father set a standard that has seldom been equalled, never excelled. Along the concession lines you still hear "the best minister of agriculture since John Dryden." Bill Dryden has carefully steered clear of politics but his son (another John) backed Ontario's attorney general Gordon Conant in the last provincial election.

• • •

Third Term

Ontario Fire and Casualty Agents at their annual meeting recently, re-elected Stan Mason of Welland as their president for the third time.

STAN. MASON

Stan is one of those fellows who "has a way with him." When he stands up before a meeting and smiles, he gets the crowd with him. He may not always be able to get them to think the way he does on various problems but he makes it hard for them to differ from him. An argument presented by him seems as if it must be right because it comes from Stan Mason. He can see the other fellow's point of view as well as his own. He understands company point of view which helps to bring about a better understanding between companies and agents.

An Ontario boy, Stan Mason was born in the town of Simcoe but has been a resident of Welland for the last 27 years.

During the war he served overseas with the 75th Battalion.

In 1920 he entered the insurance business in Welland taking over two well-established agencies.

He is an enthusiastic Rotarian, being past president of the Welland Rotary Club. He is a past president of the Welland Board of Trade and a vice-president of the Lookout Point Golf Club.

Our advice if you happen to play golf with Stan is to be sure you are right on to your game. He scores in the low eighties.

Stop Me If . .

James: "Why do they have knots on the ocean instead of miles?"
Joseph: "To keep the ocean tide."

Week in Business

Look for Quick Ending Trade Pact Uncertainty

With U. S. Elections Over, Canadian Business Hopes for Speedy Conclusion of Trade Agreement at Washington—Warm Fall Hits Retailer

Now that the United States elections are out of the way first duty of the Dominion Government should be to push trade negotiations at Washington to a quick conclusion. For the last six months Canadian business has been severely handicapped by tariff uncertainty.

Industrial construction, some of it of exceedingly large proportions, has been held up pending details of the new trade treaty with United States. American factories have hesitated to erect or extend branches in Canada until they knew whether the special advantages Canada holds in Empire markets are to be retained.

At present Canadian-made steel, many manufactured products including automobiles, enjoy substantial advantages over the American in the United Kingdom and Dominions markets. Much Canadian output, over 30% in some cases, is earmarked for these overseas outlets. There are, too, important tariff concessions granted our apples, our grain and other food products in the Old Country.

Producers and exporters expect and are reconciled to considerable disturbance following the new United Kingdom and Canadian agreements with United States. They are entitled, however, to as speedy a decision as possible in order that they may quickly adapt themselves to the new situation.

* * * *

Undoubtedly when the new agreements are announced and especially after they have been operating for a little while it will be found that some early fears have been exaggerated. Many American lines while described in similar terms to Canadian are not seriously competitive at all.

Early American vegetables, for instance, come into Canada usually well in advance of the producing season here. Once Canadian farmers start harvesting, imports, regardless of tariff, shrink to negligible proportions. Wheat is another example. Only a very small proportion of the wheat grown in United States is of the same quality as that produced in western Canada. In fact what little is grown is always wanted at home.

* * * *

Unseasonably warm weather in eastern Canada this fall has seriously disturbed retail trade and particularly that branch which caters to wearing apparel. Seldom has there been such an opportunity of fully wearing out summer suits, socks and underwear.

Sales of top coats and other fall apparel have been desperately small and little real hope of improvement is held now. Most people will simply put off buying for another season.

Fuel sales have been almost equally disappointing though the long open fall has given salesmen of heating equipment an excellent opportunity. People are not interested to the actual buying point in a new stoker, blower, oil burner or gas furnace until just before the beginning of winter. September is the big month for sales, and in eastern Canada this season September seems to have extended from the end of August until mid-November.

Business Indicators

Current business definitely improving. D. B. S. weekly index firmer and latest figures of retail and wholesale movement substantially better. Country store sales, however, show some decline principally due to lower prices for farm commodities.

Carloadings, now that grain movement has passed peak in western Canada, again showing slight decline from a year ago.

Railway earnings gross for the last week in October up from 1937 with particularly satisfactory gains for C. P. R.

Car sales in September, despite the fact that few new models available, almost as good as a year ago.

Agriculture — Flour production in September much higher, but cattle sales and hog sales down drastically. Decline due to smaller livestock population and disappointing prices.

Current trend in Canadian business shown by The Financial Post index of business activity, with new figures for the week marked thus▲.

	Oct. 29	Oct. 22	Oct. 15	Oct. 8	Oct. 30/37
Commodity prices	73.9	74.0	74.3	74.2	84.4
Weekly index, D.B.S.	108.6	108.2	109.1	109.5	105.7
	Sept.	Aug.	July	June	Year Ago
Financial Post index	112.6	109.2	109.0	109.6	123.9
Retail trade index no. of sales	▲78.9	76.4	77.6	80.1	81.8
Dept. store sales "	77.0	74.7	75.3	74.3	79.6
Wholesale index no. of sales	▲106.6	98.2	90.1	100.1	113.3
Country sales (% of gains)	*3.9	*0.8	*4.2	1.6	5.0
Employment D.B.S. Index—					
	Oct. 1	Sept. 1	Aug. 1	July 1	Year Ago
All industries	116.7	115.1	112.5	113.5	125.7
Manufacturing	112.5	113.8	110.0	111.8	121.2
Wage earners, No. (000)■	....	....	2.378	2.308	2.536
Living costs¶	....	$17.41	$17.70	$17.45	$17.41
				Jan. 1 to date	
Railways—	1938	1937		1938	1937
Carloadings, week (Oct. 29)	▲57,874	59,689		2,021,894	2,188,594
C.N.R. gr. earn., wk. (Oct. 31)	$▲6,522,880	$6,484,188		$150,272,588	$165,403,656
C.P.R. gr. earn., wk. (Oct. 31)	$▲5,591,000	$4,801,000		$117,280,000	$119,830,000
C.P.R. net revenue (Sept.)	$3,651,406	$3,141,712		$7,330,793	$13,073,941
C.N.R. net revenue (Sept.)	$2,661,439	$2,342,485		$•2,455,254	$10,527,862
Iron and Steel (September)—					
Pig iron production (tons)	49,972	76,180		554,845	654,438
Steel ingots and castings prod. (tons)	73,556	114,622		911,005	1,077,462
Automobiles (Number)—					
Passenger Cars:					
Domestic sales* (Sept.)	▲3,832	3,920		75,652	96,385
Factory output (Sept.)	4,290	1,926		88,728	117,816
Trucks and Buses:					
Domestic sales* (Sept.)	▲1,879	2,220		22,144	25,753
Factory output (Sept.)	1,799	2,491		34,978	43,855
Exports (Sept.)	3,460	4,002		47,092	55,418
Financing (September)—					
Used	$2,631,355	$2,646,699		$28,966,564	$28,972,301
New	$2,245,629	$2,436,106		$27,477,491	$33,717,544
Construction—					
Cons. contracts (October)	$18,111,000	$20,169,900		$161,572,700	$198,576,800
Cement, bbls. (August)	▲712,000	909,000		3,523,885	3,845,588
Clay (July)	$468,608	$542,545		$2,032,696	$2,247,378
Gypsum, tons (August)	144,261	116,598		619,009	619,688
Agriculture—					
Flour prod., bbls. (Sept.)	▲1,639,231	1,437,586		9,182,119	9,629,193
Flour exp., (Sept.)	319,739	306,655		2,540,325	3,006,934
Wheat exp., bus. (Sept.)	12,614,858	5,903,060		51,912,889	64,774,751
Cattle sales (October)	▲79,411	136,319		550,392	726,633
Hog sales (October)	▲32,127	74,147		508,841	744,988
Sea Fisheries (August)‡—					
Catch, cwts.	1,503,750	1,534,420		5,571,330	5,663,543
Landed value	3,378,445	3,200,660		12,017,662	12,579,648
Newsprint (tons)—					
Production (Sept.)	231,940	312,220		1,914,660	2,736,050
Exports (Sept.)	195,586	308,654		1,719,318	2,528,468
Mining and Oils—					
Coal prod., tons (Sept.)	1,112,828	1,421,383		9,827,615	10,846,890
Coal imports, tons (August)	1,463,919	1,776,998		7,930,154	9,918,926
Gold prod., fine oz. (August)	412,135	349,108		3,051,081	2,672,812
Nickel prod., lb. (August)	16,548,872	20,666,636		142,948,144	147,946,048
Copper prod., lb. (August)	49,321,991	44,549,447		390,978,155	330,034,102
Crude pet. prod., bbls. (August)	817,706	291,641		4,430,463	1,599,185
Crude pet. imp. bbls. (Sept.)	5,264,600	4,380,400		26,558,632	27,959,063
Electric Power Output (Sept.)—					
Total monthly m.k.w.†	2,163,645	2,204,291		18,938,359	20,346,203
Trade—					
Imports (Sept.)	$56,411,727	70,240,465		505,952,759	593,018,033
Exports (Sept.)	$108,542,466	$95,216,148		$689,479,864	$834,972,109
Other Industrial Factors—					
Dressed lumber, exp.:					
M. bd. ft. (Sept.)	139,448	223,507		1,208,655	1,427,399
Boot & shoe prod., pr. (Sept.)	▲2,069,929	2,256,289		16,821,756	19,116,522
Cotton, raw, imports, lb. (Sept.)	▲6,101,000	4,582,000		86,060,000	102,174,000
Raw rubber imp. lb. (Sept.)	3,146,645	5,367,536		38,612,585	50,966,814
Cigarette cons. (Aug.) No.†	668,798	663,989		4,539,360	4,374,163
Sugar manufactured, lb.§	96,562,843	107,859,853		663,679,817	634,134,794
Finance—					
Bank debits (Sept.)	$2,654,813	$2,736,625		$22,077,381	$26,253,228
Bond sales (Sept.)	$51,267,239	$54,383,706		$827,025,500	$934,595,071
Life insurance (Sept.)	$27,442,000	$27,730,000		$275,613,000	$281,297,000

*D.B.S All-Canada figure comprising over 90% of the Canadian total.

†000's omitted. §For four weeks to Oct. 8, 1938.

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.

¶For average family per week, food, fuel, rent. •Deficit. *Decrease.

■Estimated in employment.

Government, Municipal
Public Utility and
Industrial Securities

List of offerings, or current
quotations on any issues,
furnished promptly on request.

Royal Securities Corporation
Limited

244 St. James Street
Montreal

330 Bay Street
Toronto 2

Offices throughout Canada; also in New York and London. 25

NEW LINCOLN-ZEPHYRS ANNOUNCED

Further streamline styling, increased passenger comfort and important mechanical improvements, including new hydraulic brakes, feature the Lincoln-Zephyr for 1939. These cars are available in six body types, including two convertibles and come in eight different color combinations. Front ends are trimmer and new door extensions completely conceal running boards giving the side panels an unbroken smoothness and protecting the running boards from the weather. The wheelbase is 125 inches. A big narrow rim steering-wheel and a high ratio steering gear allow the car to be handled easily especially in parking. Powered by a 110 horsepower V-type 12-cylinder engine, the makers claim that the Lincoln-Zephyr will give 16 to 20 miles per gallon economy.

Background of Business

Calendar Reform

If world calendars are to be reformed in the fairly near future all nations will have to agree to do so before the end of next year, J. Murray Muir, secretary of the Rational Calendar Association of Canada, points out. Because 1939 begins on a Sunday and because the only calendar reform plan that has met with international approval also begins on a Sunday, 1939 is, therefore, the logical year in which to put the suggested plan into effect.

The proposed world calendar contains a year of 12 months totalling 364 days. Each year would begin with the same day of the week and there would be a permanent, uniform calendar. The change would stabilize Easter and would put national holidays on either a Friday, Saturday or Monday, giving office workers the longer week-end desired and eliminating the broken week for general business.

* * *

Rubber Auto Seats

Several of the motor car manufacturers this year have adopted rubber seats in some of their 1939 lines. These seats are made of Latex Foam Rubber, a patented development of the Dunlop Rubber Co. of Great Britain. The seats have already made their appearance in theatres and for use in office chairs, but this is the first time they have invaded the motor field.

The rubber is beaten while in the liquid stage, something after the fashion of cream, incorporating air bubbles in the mixture. Where the seat aside from the covering is entirely made of rubber, springs and matting are eliminated.

In other cases a thick rubber covering is used over the springs alone in the place of the present matting. On a few cars, too, rubber is used on the back of the top of the front seat to protect riders in the rear compartment from injury through sudden jolts caused when the car is brought to an emergency stop.

* * *

Challenge Natural Silk

Du Pont in United States has launched a new synthetic silk called "Nylon" which it believes will be able to compete with natural silk for hosiery and other woven goods. Hitherto there has been little real competition with natural silk for stockings because available artificial silk did not possess the elasticity of the natural product. Stockings made of substitutes were inclined to lose their shape and, therefore, were not popular.

The new fibre, it is expected, will prove a jolt to Japan's monopoly of the natural silk market. Japan exports over $100 millions of silk to United States and Canada and the greater proportion of this import eventually finds its way into silk stockings.

During the recent attempted boycott of Japanese goods, chief difficulty arose over finding a substitute for natural silk stockings.

The new product "Nylon" is credited with being even more elastic than natural silk, can be spun just as fine and possesses a beautiful lasting lustre. It is produced from such common and unlimited raw materials as coal, water and air.

Commercial scientists in United States are also reported to be working on a new artificial wool.

* * *

Mining Boosts Business

Most Canadians are vaguely aware that the steadily growing gold mining industry of this country contributes substantial benefit to general business. Just how substantial that benefit is, is indicated very definitely in a special Dominion Bureau of Statistics report issued the other day. This shows that in 1937 Canadian gold mining companies paid over $40 millions for consumable stores, that is, equipment, electric power, fuel, freight and insurance. This was an increase of 40% over 1935, the last year in which a similar survey was made.

Gold mines in Ontario used the largest part of these supplies, buying a total over $25 millions. Quebec was second with slightly over $6 millions, British Columbia and the Yukon third, $4.7 millions.

Since 1937, of course, there has been further development in mining activity and the bill for stores will undoubtedly be still larger. No estimate is made of the huge indirect purchases — food, housing, other shelter, clothing, etc., by the new mining populations in the north.

* * *

Salesmen Get the Breaks

Nearly 70% of the general managers interviewed by American Business recently started out as salesmen. "It has become quite the vogue," comments this publication, "for corporations to put men with demonstrated sales ability in high office. So naturally the youngsters in the office who hope to be some day president of the company are eager to get in that direct line for advancement."

American business, however, is not so sure that this trend will continue. It says: "We have entered an era where industrial relations are going to play a rôle of increasing importance. And sound industrial relations may soon prove the very heart of effective management."

* * *

U. S. Snaps Back

In the four months to the beginning of October one third of the recent depression losses in United States had been redeemed, according to a survey by the National Industrial Conference Board. The improvement during the past three months, it is stated, has been more rapid than for any like period during the past 20 years, with the single exception of the summer of 1933.

The European crisis, apparently, had little influence on domestic United States activity, although it caused some postponement of commitments and had a depressing effect on the security markets. Since the Munich settlement, however, security prices have not only recovered those losses but have pressed forward to new highs for the year.

As the present time, the Conference Board states, there is a general belief that recovery will be further extended during the final quarter of the current year. This optimism is largely based on the prospects for an increase of substantial proportions in the automobile industry. Other favorable factors cited in the general outlook are the improvement in building activities and the continuation of Federal Government spending.

In regard to the longer term outlook in United States, the Conference Board is not too enthusiastic. Production and trade, it points out, had not recovered to estimated normal levels before the recent depression took place. This was largely due to a lack of prolonged expansion in the capital goods industries.

Elected to Dominion Stores Board,

Francois Faure, vice-president of Consolidated Paper Corp. and prominent Montreal businessman has been elected to the board of directors of Dominion Stores, Ltd.

Why Not "Bond" Your Customers?

Cashiers and others who handle a company's finances are adequately bonded. But how about the hundreds or thousands of customers to whom you habitually lend money, in the form of merchandise, for 30, 60, or 90 days without security? What recourse have you when debtors default?

Far-sighted Manufacturers and Jobbers "bond" their customers by insuring all accounts.

Credit Insurance

provides that goods shipped under the terms of the policy will be paid for -- reimburses you promptly for credit losses due to insolvencies and reorganizations -- liquidates delinquent accounts without delay.

Credit Insurance has protected receivables economically for over 45 years. Modern liberal policies cover any or all classes of debtors. Offices in principal cities. Ask for information.

CANADIAN DIVISION
AMERICAN CREDIT
INDEMNITY COMPANY
OF NEW YORK . . J. F. McFADDEN, President

F. A. REID
General Agent
803 Canada Cement Bldg.
Phone: LA.3258-3259
Montreal, Quebec

T. F. McOUAT
General Agent
34 Montreal St.
Sherbrooke, Quebec

C. A. MULLEN
General Agent
The Metropolitan Bldg.
Phone: ELgin 9303
Toronto 2, Ontario

W&O

Foreign Business

United States Department of Commerce summarizes foreign business as follows:

France—After the unsettlement of September, when workers were called to the colors, large sums were borrowed from the banks, interest rates rose, and other emergency measures were taken, the Premier was granted full powers to formulate a programme for resumption of business and general recovery.

Yugoslavia — Both imports and exports were smaller in August than a year earlier; for eight months imports show an increase and exports a decrease from the preceding year.

Japan—Business regards the present economic situation as requiring stronger co-operation in its long-term economic programme, the silk market has become more buoyant.

Netherlands Indies—Revival of trade followed the unsettlement during the European crisis and noticeable improvement is expected.

Brazil—Coffee, cotton, and other export commodity trading dropped to low level during recent European crisis, and subsequent improvements have not wholly wiped out losses.

Peru—Easing of international tension, and several favorable developments, including activity in cotton market, beginning of sugar export season, and spring-summer acceleration of retailing, brought a general improvement in October.

Bolivia—The most important development of the month was the issuance of a presidential decree assigning new export quotas to the tin producers; the exchange situation showed no change, the rates for the boliviano remain fairly steady.

Cuba—Business activities generally showed minor declines in October, owing to seasonal influences, but some retail lines ran counter to general trend, being stimulated by cooler weather.

Panama—October business was adversely affected by uncertainty over results of new banking and tax bill.

Foreign Exchange

Fluctuations over the week in foreign exchange have been small and apart from the day to day movements there has been little of note. Gold stocks in the United States continued to increase under shipments from abroad.

AT TORONTO AND MONTREAL

U. S. Dollar	High	Low
Nov. 7	1.00 11/16	1.00⅝
Nov. 5	1.00¾	1.00⅝
Nov. 4	1.00⅝	1.00⅝
Nov. 3	1.00 11/16	1.00⅝
Nov. 2	1.00 11/16	1.00⅝
Nov. 1	1.00 11/16	1.00⅝
U. K. Pound	**Closing**	**Last Year**
Nov. 7	4.79⅜	5.00
Nov. 5	4.79¼	4.99½
Nov. 4	4.79	4.97⅝
Nov. 3	4.78⅞	4.96 11/16
Nov. 2	4.78¾	4.96¼
Nov. 1	4.78¼	4.96 1/16

Other Currencies, Nov. 7

Australia	3.83⅞	Italy	.0529½
Belgium	.1702	Japan	.2795
Czecho	.0347	Jugoslavia	.0235
Denmark	.2141	N. Zealand	3.87
France	.0268	Norway	.2409
Germany	.4031	S. Africa	4.78¾
Greece	.0088	Sweden	.2471
Holland	.5472	Switzerland	.2283
Hungary	.1995	Hong Kong	.2983
India	.3581		

Individual Investment Requirements

No two persons have quite the same circumstances or obligations to consider in managing their investment affairs. It is the aim of this organization to make such investment suggestions as will best suit the specific requirements of individual clients.

Inquiries are invited at our Branch nearest to you

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO

Montreal Winnipeg Vancouver Victoria New York London, Eng.

Buy Bonds

The investment market has its cycles just as markets for commodities, and special buying opportunities present themselves from time to time. The wise investor, however, invests his money immediately in the type of security suitable to his needs. Government, Municipal, Corporation and Public Utility Bonds offer a wide choice for investment funds. Write us for a list of offerings.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Ottawa
Montreal
London
Hamilton

Correspondents in New York and London, Eng.

CASH ON SHIPMENTS

Talcott factoring enables manufacturers to distribute their production on a basis equivalent to selling for cash, without credit risk, while at the same time granting to the purchaser of the product the usual terms of sale customary in the trade.

Let us explain in detail how our modern, widely used factoring service can help you increase sales and profits. Write for our booklet.

James Talcott of Canada, Limited
1470 PEEL ST. MONTREAL, P.Q.

NUGGET POSTERS SUGGEST "Shine up!"
That's a "NUGGET" Shine!
TO MILLIONS OF CANADIANS EVERY DAY!

Poster Circulation figures are audited and their accuracy approved by the T.A.B. (Traffic Audit Bureau).

There is no guesswork in buying Poster Advertising today. You know exactly the circulation you get for the money you spend.

The average cost of a representative showing in 250 Canadian cities and towns with a daily net advertising circulation of 2,369,420, is only 13.2 cents per thousand readers.

The continuous suggestion of "Shine Up!" on Nugget posters SELLS Nugget Shoe Polish.

For over twenty-five years the Nugget Company has continuously used poster advertising to greet people with their sales messages . . . "Did you Nugget your shoes this morning?" — and "That's a Nugget Shine!"

Poster Advertising is a mass medium. It reaches all the people — all the time.

POSTER ADVERTISING SELLS!

POSTER ADVERTISING ASSOCIATION OF CANADA P9

Queen's Hotel Defers Interest To Meet Capital Expenses

MONTREAL.—Queen's Hotel Ltd., of Montreal, has deferred the half yearly interest due Nov. 1 on its first mortgage bonds. Originally the company had issued $1,250,000 of 6% bonds, but through operation of the sinking fund the amount outstanding has been reduced to around $1,000,000.

While no official statement has been issued by the board as to the reason for the deferment of interest at this time, it is understood that the action resulted from the immediate need of conserving cash resources in order to carry out needed capital expenditures. This is a condition which has been common to other Montreal hotels in the past year or two.

No particulars are made public as to the company's earnings or financings. The record of the Queen's Hotel has been better than that for the other Montreal hotels. This year conditions have not been favorable, as far as earnings are concerned. Operations have been sharply off size last spring, especially as the tourist business was probably the worst in years. In view of this condition and the necessity of making capital expenditures, it was decided to defer bond interest. The change in the fortunes of the company is regarded as temporary and it is believed that the bonds will be fully serviced as soon as the Montreal hotel business returns to normal.

Steel of Canada Sales Move Ahead

From Our Own Correspondent

MONTREAL. — Although third quarter sales were below those of the same period last year, comparisons with the previous year continue to improve, according to a statement sent to shareholders by Ross H. McMaster, president, Steel Co. of Canada. Further gains also were made in contrast with 1936.

Recent business has shown a slight seasonal improvement, says Mr. McMaster, despite the uncertain European situation.

List Asbestos Stock

MONTREAL. — Montreal Curb Market has called for trading an additional 700 common shares of Asbestos Corp.

New Winnipeg Generator Brought Into Operation

Installation of the fourth 12,000 h.p. generating of Winnipeg Hydro Electric System at Slave Falls plant has been completed and the power is now being delivered to the city. Total cost of the unit will be $90,000 lower than appropriation.

Ten years ago the Pointe du Bois plant on the Winnipeg River was developed to its maximum capacity of 105,000 h.p. In 1931 the Slave Falls plant went into operation, with two 12,000 h.p. units, which has now been raised to four units with a nominal capacity of 48,000 h.p. This represents one half of the ultimate development of eight 12,000 h.p. units at this location.

In the winter of 1937-38 the peak load on Winnipeg's system was 133,800 h.p., close to the capacity of the two plant's capacity of 134,500 h.p.

Fishing and Markets

Restoration of Export Trade Seen Essential to Maritime Industry

From Our Own Correspondent

HALIFAX.—Neither the primary producer nor the "middle man" is making any fortune out of fishing, say close observers of the industry in Canada. While many fishermen in Nova Scotia have been hard hit by the decline in dried fish exports, so have many exporters and some of the latter have gone to the wall.

Both parties are hopeful of "more provident trade treaties" which, they feel, will result in revival of the once lucrative export trade. They anticipate some benefits from the approaching Canada-United States agreements. And they hope the Canada-West India treaty may some day be revised to include benefits for the fishermen.

The Atlantic fisheries of Canada have always been adapted to a large export trade, principally in dried codfish. In Nova Scotia alone the dried fish production has varied upward from 44.8 million pounds in 1861 to a minimum range of 33.6 million pounds in the post-war period.

Drop in Production

Since 1928, however, there has been a marked fall in production, due, it is said, to (1) the contraction of purchasing power in the consuming countries, and (2) the determination of competing countries to maintain their output unimpaired, by means of subsidy and assistance to their fishermen.

Prior to the last six or eight years the principal world markets for Canada's fish were United States, Cuba, Italy, Jamaica, Brazil, Trinidad, Dominican Republic and Haiti. To illustrate how the industry has declined it is pointed out that 15 years ago United States and Cuba bought more fish than is produced in the Dominion today.

This is not explained by world-wide reduction in production of dried fish, for the contrary is true. It is estimated that world production has increased 25% since 1905.

Cuban Trade Loss

Loss of the Cuban and Dominican Republic markets is traced to the West India treaty. Cuba was for years one of Canada's largest markets for dried codfish and potatoes, totalling in 1926 almost $5 millions out of total exports to Cuba in that year of nearly $8.5 millions. As a result of tariff reprisals this trade in fish and potatoes by 1933 had dropped to $400,000 or only 10% of the 1926 figures. The Cuban duties on codfish were raised from $1.30 to $5.50 per 100 kilos and on potatoes from 65 cents to $10 per 100 kilos.

"At the present time we can only export seed potatoes to Cuba," remarks one exporter, "and while our exports of codfish have more than doubled since 1933, it is doubtful if any further recovery can be expected until we can by mutual concessions secure some modification of the present prohibitive tariff."

Subsidies

An example of the competition is the case of the French exporter who collected $3.20 from his government for every 112 pounds of fish. France, Newfoundland, Norway and Iceland, which subsidize their fishing industries directly or indirectly have taken business from the unsubsidized Canadian industry.

Those familiar with the industry claim that there is nothing to the suggestion that too many Nova Scotians are engaged in a non-economic industry. The Nova Scotia fisheries gives employment to 18,000 fishermen of whom about 16,800 are inshore fishermen. On shore over 3,700 more, or a total of about 22,000 are employed. The capital invested in the industry is over $6,200,000. While standards of living are lower today than in more prosperous days, it is felt the development of better markets through trade treaties would raise these standards.

Warn Farmers On Debt Laws

Must Prepare to Stand on Own Feet in Saskatchewan

From Our Own Correspondent

REGINA. — Saskatchewan's government has issued warning that farmers must consider standing on their own feet where debt is concerned. The Government is looking to the time when it can dispense with legislation against creditors and get back to a normal state of affairs.

The warning was made by Hon. T. C. Davis, attorney-general, before the convention of the Saskatchewan branch of the United Farmers of Canada. In government circles it is regarded as the first step toward easement of stringent measures against creditors but is termed a psychological move rather than a definite threat to cancel legislation. It is understood present debt laws will remain untouched at the coming session of the Legislature.

Examination of the $180,000,000 debts cancelled to May of this year, he said, reveals that the greater bulk of such cancellation was obtained by negotiation and not with the aid of present laws on statute books.

On the subject of government intervention in settlement of debts, Mr. Davis informed the U. F. C. that it was astounding how few applications for assistance have been made to debt adjustment bureau representatives throughout the province concerning the 1938 crop and its disposal.

Canada Foundries Calls More Bonds

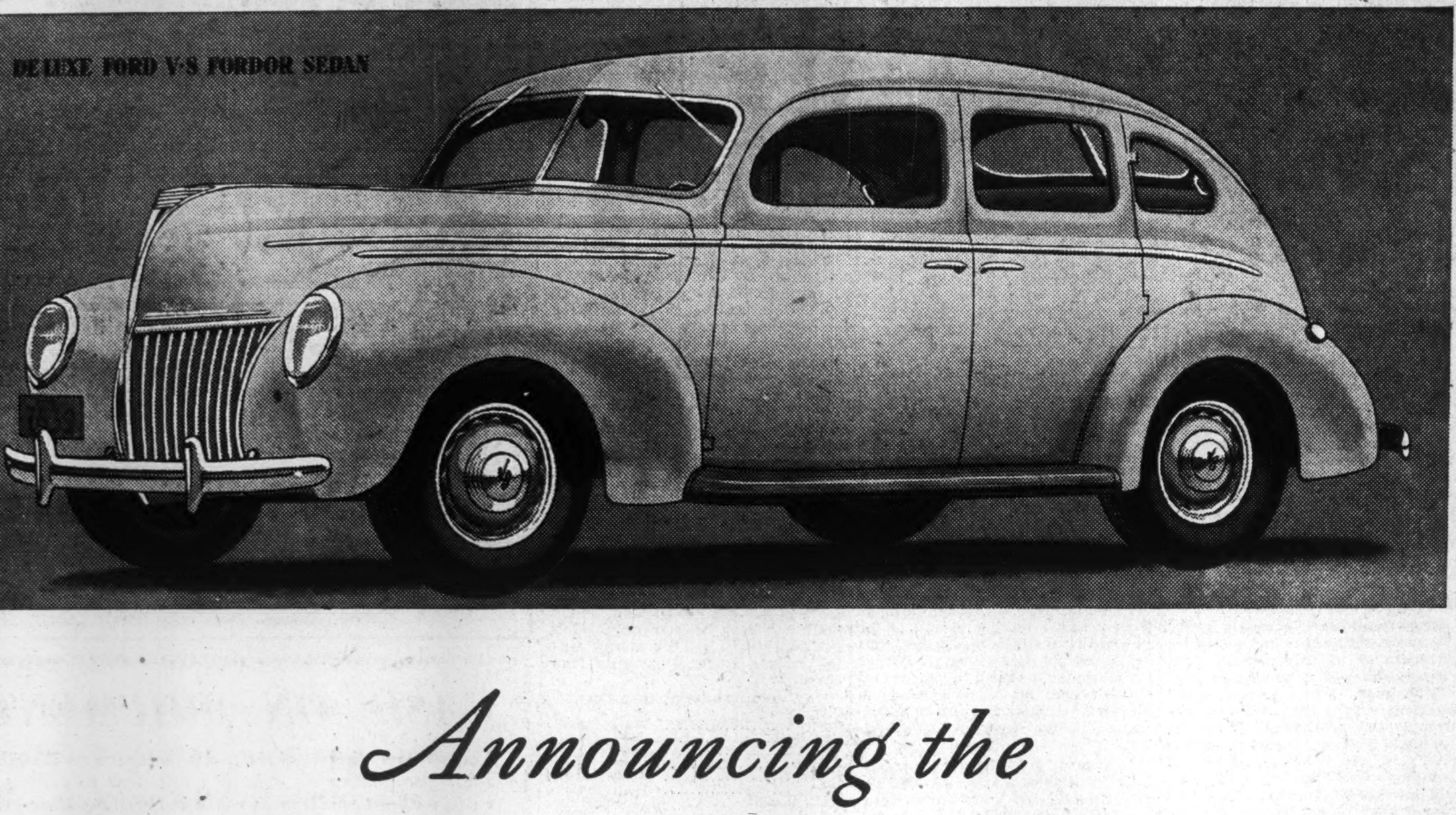
Liquidation of Debt Before Maturity in 1942 Is Likely

From Our Own Correspondent

MONTREAL.—Canada Foundries and Forgings has called for redemption $38,000 par value of its 6% first mortgage bonds, payment to be made on February 2, at 110 and accrued interest.

At the end of last year the company had outstanding $73,100 of bonded debt, so that the current reduction will reduce the net debt to $35,100. As these bonds do not mature until Feb. 2, 1942, the prospects are that the debt will be liquidated before that time.

When this is done the company will have outstanding only capital stock divided into 38,000 shares of no par value class A and 9,600 shares of no par value class B stock. The former is entitled to a dividend of $1.50 a share before any distribution can be made to holders of the class B stock.



Announcing the

NEW FORD V·8 CARS

for 1939

GREATER VALUE for every motorist has been built into these two new Ford V-8 cars for 1939. Both help bring new meaning to the familiar Ford phrase—"The Quality Car in the Low-price Field."

For here is real progress in motor car manufacturing. Here are two new cars that give further expression to the forward-looking policy of the Ford organization . . . traditional Ford dependability and economy combined with notable advances in modern, progressive engineering. The Ford way of doing things is the reason for the greater value in the two new Ford cars for 1939.

Each car has been given its own distinctive appearance, yet each reflects Ford leadership in design. Both bring you something of the fine streamlining of the Lincoln-Zephyr—recognized style leader for the industry. The interior appointments of the 1939 Ford cars are especially rich and are in keeping with their beauty of line and contour. Every detail is styled for good taste and good service.

Both are big, roomy cars, equipped with hydraulic brakes and powered with the 85-horsepower V-8 engine that gives you so much extra power, smoothness and efficiency. This year, the quiet performance of the V-8 engine has been matched by the new quiet built into every part of the car.

The 1939 Ford cars bring you greater riding ease on every road. New seat construction, flexible cantilever transverse springs and double-acting hydraulic shock absorbers give triple-cushioned riding comfort.

Both Ford cars for 1939 are Ford-priced for greater dollar value. From bumper to bumper, inside and out, they are the most outstanding cars in all Ford history.

FEATURES OF THE NEW FORD CARS FOR 1939

Modern Streamlining • Newly Styled Interiors
Hydraulic Brakes • V-type 8-cylinder Engine
Scientific Soundproofing • All-steel Bodies
Low Prices • Triple-cushioned Comfort

1939 DELIVERED PRICES IN TORONTO

(License and any local or provincial taxes extra)

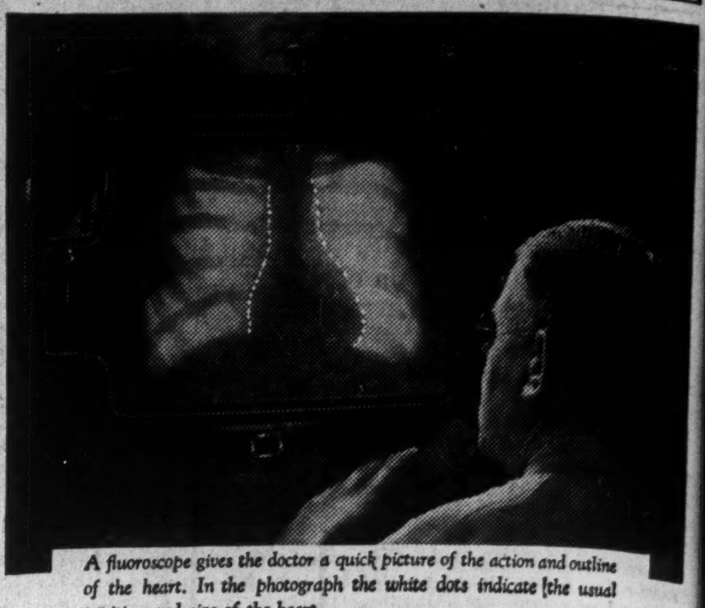
FORD V·8 (85-horsepower engine)	
Coupe	$856
Tudor Sedan	909
Fordor Sedan	970
DE LUXE FORD V·8 (85-horsepower engine)	
Coupe	$920
Tudor Sedan	975
Convertible Coupe	1,035
Fordor Sedan	1,035
Convertible Sedan	1,217

Both Ford V-8 and De Luxe Ford V-8 cars come equipped with bumpers and bumper guards, spare tire and lock, cigar lighter, twin horns, double windshield wipers, and headlight beam indicator on instrument panel at no extra charge. De Luxe cars also have an extra tail light and sun visor, de luxe steering wheel, glove compartment lock, clock, and Rustless Steel wheel bands, at no extra charge.

FORD-BUILT MEANS TOP VALUE

FORD V-8 TUDOR SEDAN

ON DISPLAY AT FORD DEALERS SATURDAY, NOVEMBER 12



A fluoroscope gives the doctor a quick picture of the action and outline of the heart. In the photograph the white dots indicate the usual position and size of the heart.

Your Heart in Action

YOUR newspaper constantly records sudden deaths from heart attacks. Frequently the victims are in the prime of life, enjoying happy, successful careers—yet they die too soon. Why?

In thousands of cases the victim was unaware that he had heart trouble. Or he may have failed to heed warnings which would have been plain to a doctor. In still other instances, he ignored his doctor's orders to slow down on work and exercise.

The person who knows he has heart trouble is likely to live longer than the one who doesn't suspect it. It is the man who does not know or mistakes the symptoms who is in real danger.

Several common symptoms may indicate heart disease but only a physician can decide whether or not they are serious. "Indigestion" may be a cloak for an impaired heart. Shortness of breath, pounding or fluttering of the heart may be due to nervousness or overwork; or they may be caused by trouble in the heart itself. Irregularities of the heart's beat, pain near the heart, or pains in the arms and armpits may indicate that something is wrong with the heart, or they may be of little importance. Any of these symptoms calls for an early and thorough examination by a physician.

Today physicians know more about diseases of the heart and are better equipped to diagnose and treat them than ever before. When advisable, your doctor may employ the X-ray and the electrocardiograph and other modern devices to determine the condition of your heart. Give him a chance to help you.

Modern medical skill has enabled thousands of men and women with damaged or weakened hearts to lead useful, active lives, because they know what their hearts can and cannot endure.

You can do much to help keep your heart healthy. A postcard will bring you a free copy of the Metropolitan's new booklet "Protecting Your Heart"—or mail this coupon.

METROPOLITAN LIFE INSURANCE CO., Dept. 11-F-38
Canadian Head Office, Ottawa.
Please send me, without charge or obligation, your new booklet "Protecting Your Heart."
NAME..
ADDRESS..
CITY.........................PROVINCE..................

METROPOLITAN LIFE INSURANCE COMPANY
NEW YORK

FREDERICK H. ECKER
Chairman of the Board

LEROY A. LINCOLN
President

CANADIAN HEAD OFFICE—OTTAWA

SERVING CANADA SINCE 1872

Montreal Stock Trading Shows Seasonal Upturn

From Our Own Correspondent

MONTREAL.—Total turnover of stocks on the Montreal Stock Exchange and Montreal Curb Market during October amounted to 3,405,277 shares. This compares with 2,544,594 shares in the previous month and 3,716,662 shares in October of last year.

Turnover of mining stocks last month showed a sharp increase and was at its best level since March last. There were 2,434,796 shares traded as against 1,599,361 shares in September and 2,252,034 shares in October of last year.

Industrial volume accounted for 970,481 shares, as compared with 945,233 shares in the previous month and 1,464,628 shares in October, 1937.

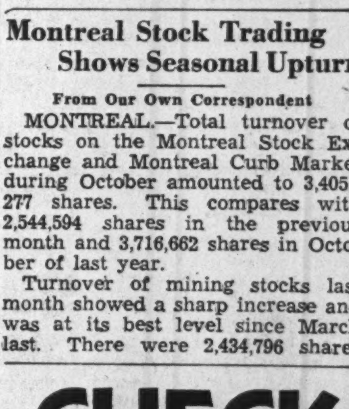
More Bell Employee Stock

From Our Own Correspondent

MONTREAL. — Bell Telephone Company of Canada has notified the Montreal Stock Exchange that one additional share of the company's stock has been issued in connection with the employees' stock plan.

CHECK YOUR STOCKS NOW

This book contains complete data on over 1,500 corporations whose securities are in the hands of the public, including those listed on Canadian exchanges and many which are unlisted.



Gives facts as to businesses and properties . . . names of officers and directors . . . balance sheet and income and surplus account for three years . . . price range of stock for past eight years . . . dividend rate and previous payments . . . capital structure and funded debt . . . funds in which bond interest payable.

Current market comeback has spurred demand for this book. Make sure of your copy.

$2 Per Copy Postpaid
Size 9" x 12"
286 Pages.

ORDER NOW

THE FINANCIAL POST, 481 University Avenue, Toronto.
Send me postpaid ....copies of The Financial Post SURVEY OF CORPORATE SECURITIES, 1938.
Herewith $............. in payment.
NAME..
ADDRESS..
.... 945

Banking

Little Change Likely In Imperial's Profit

Higher Current Loans and Investments Will About Offset Decline in Call Loans and Increase in Deposits

Earnings of the Imperial Bank of Canada in the year ended October 31 are expected to show little change from those reported in the previous year.

Owing to the fact that it is the first of the Canadian banks to report, the showing by the Imperial is always of particular interest. It is taken as an indication of the experience of the other institutions.

The financial year of the bank closes on October 31 and the annual statement is issued about the time of the annual meeting which will be held on Nov. 23.

Current Loans Up

One department in which the earnings of the banks are likely to show expansion is current loans. In the 11 months ended with September loans to business averaged substantially higher.

While commercial loans have increased, call loans have declined. The September statement of the Canadian chartered banks showed total current loans in Canada at $828.9 millions which compares with $770.6 millions at the close of September, 1937. This is a gain for the month of $58.3 millions. Call loans in the same period declined from $99.9 millions to $60.1 millions.

Revenue from call loans, however, usually is not so important as that from commercial loans. The total volume lent on this basis is much smaller than that on time loans, while the rate also is generally lower.

Some idea of the difference may be had in the fact that the monthly return of the chartered banks for September showed call loans of all banks at the end of the month to be $60.1 millions, while current loans in Canada on the same date were $828.9 millions. Call loans of the Imperial Bank on the same date were $5 millions, while current loans in Canada were $57.3 millions.

Loans and Investments

Loans and investments are the two main items from which the banks make their money. There are, of course some minor sources of income such as exchange on cheques, profit on foreign exchange and service charges on accounts.

In the 11 months to September 30 the commercial loans of the Imperial Bank averaged $54.1 millions compared with $49.8 millions in the 11 months preceding an average increase of $4.3 millions per month. Call loans averaged $5.8 millions against $8.4 millions, a decrease of $2.6 millions.

Investments have been higher, averaging $57.2 millions per month during the 11 months against $54.8 millions in the preceding period. Interest rates on high-grade issues have been lower during the past year, however. Bank investments are usually in the higher grade securities which do not offer a high yield. On the whole, however, earnings from this source should be higher than in the previous year and the increase will probably at best offset the decline in call loans.

How do these sources of income stack up against costs?

Savings Deposits Up

Deposits are the great reservoir from which the banks draw their funds. During the 11 months demand deposits averaged slightly lower, while savings deposits averaged slightly above last year. Savings deposits with the Imperial averaged $89 millions against $87 millions. With the interest rate on savings deposits unchanged at 1½% the charges for interest would be a little higher. Costs of operation, however, will be much the same as they were a year ago.

The net results in these four items for the months ended September 30 may be summarized roughly as follows:

Current loans up $4.3 millions
Investments up $2.4 "
Call loans down $2.6 "
Sav. deposits up $2.1 "

Note circulation has not shown a great deal of change. On Sept. 30, the bank had $5.5 millions in circulation against $5.6 millions at the end of September, 1937.

The earnings record of the Imperial Bank in past years has been impressive.

Last year net profits were $1.3 million, equal to $12.83 per share. In 1936 they were $13.75 per share, in 1935 $13.73, 1934 $14.49, 1933 $14.09 and 1932 $14.11.

Dividends have been paid at the rate of 10 per cent per annum since 1933. In 1932 11½% was paid, in 1931 12%, and in the years 1920 to 1930 12% plus 1% bonus.

Prospects Brighter

All banks, including the Imperial, are now enjoying better business. The financing of the wheat crop means much to them, even though the rate charged on Government loans is low at 3% while that charged private interests, it is understood, is 5%. Then there is indicated considerable expansion in business, which will create a better demand for loans.

Many frozen credits are being released now as a result of the crop. It is stated by bank officials that farmers in the West are repaying loans at a very satisfactory rate. Even debts which had been practically written off as hopeless are in some cases being liquidated. In such cases some of the banks are making a practice of allowing the debtor $2 credit for every $1 paid. Instances are known even in the drought areas of men bringing in $5 at a time in order to clear an obligation.

Bank Chat

At the annual meeting of the Galt Clearing House Association, J. H. Taylor, manager of the Canadian Bank of Commerce was elected chairman. A. S. McKay who recently succeeded A. B. Rowan-Legg as manager of the Royal Bank of Canada was welcomed as a new member.

* * *

Royal Bank Staff

Among the staff changes announced by the Royal Bank is that of F. T. Palfrey who has been appointed manager of the Vancouver branch, succeeding J. G. Nickerson who has been made assistant supervisor at Regina.

Mr. Palfrey began his banking career at Lawrencetown, N.S., 31 years ago. He served as manager at Truro, N.S., and Saint John, N.B. He was also manager at St. Johns, Nfld. Two years ago he was moved to Winnipeg to take charge of the main office there, a post which he held till the present appointment to Vancouver.

Mr. Nickerson, now appointed assistant supervisor at Regina, has been manager in that city for nine years. He is a Nova Scotian and started with the Union Bank of Halifax in 1902. In addition to serving in the Maritime Provinces he has also had charge of branches at Lacombe and Medicine Hat.

* * *

Banks Are Blamed

In an address before the C-Y discussion club of the Y.M.C.A. at Toronto last week, Hon. Colin Campbell, Minister of Public Works for Ontario, attacked the banks, blaming them for depressed business conditions. It is the small taxpayer who is supporting the banks today he said. The banks, he indicated, were offering to lend money to the different governments for public works and civic expenditures and the people paid toll through interest.

Commenting on Mr. Campbell's remarks, S. H. Logan, president of the Canadian Bank of Commerce, stated that the chief business of the banks is to lend money and this is the principal source of their income. They cannot force people to borrow, but are always ready to lend where there is a reasonable chance of obtaining repayment. Any other standard of lending would soon drive them into bankruptcy, he said.

C. H. Carlisle, president of the Dominion Bank, stated that he thought the remarks made by Mr. Campbell were so far in error that they needed no comment from him.

* * *

Edwin Fisher, chairman of Barclay's Bank, London, in an interview at Montreal recently declared that he did not think there was likely to be much change in interest rates in England for the time being.

Since the Munich pact, he said, the general tone of the financial world was better, however, and there was a tendency in Britain to make longer commitments.

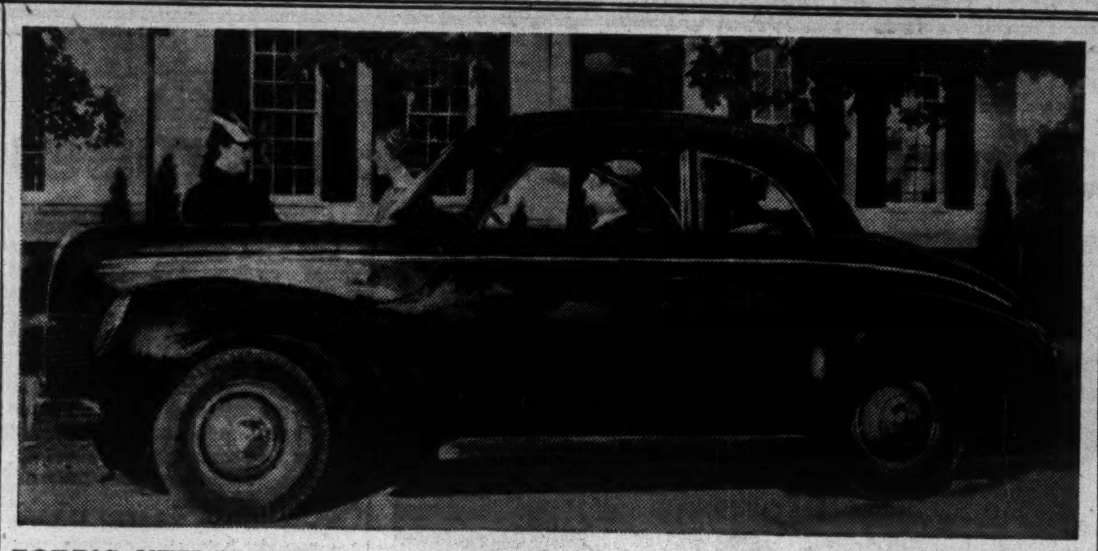
He also expressed the opinion that there was plenty of money in England awaiting investment. Some of it he believed would be available for sound investments in Canada.

That the people of Great Britain were waking up to the need of public service was stressed by Sir Charles Gordon, president of the Bank of Montreal, in an interview at Montreal recently. Britons generally, he stated, have realized that it will not be sufficient for the country to be able only to defend herself.

That is why he said there has been a remarkable response to the Government's request for registration and training in different kinds of volunteer defense services and why Britains in general are willing to pay the enormous cost of rearmament.

* * *

The Bank of Montreal has opened an office at Cline Lake, Ont., to be operated as a sub-agency to Goudreau, Ont. Service one day a week, Monday, will be given. On that day the branch at Goudreau will remain closed.



FORD'S NEW MERCURY

Here is the latest addition to the Ford family, the new Mercury 8. This line includes four body types. It is longer, wider and heavier than the Ford De Luxe, being mounted on a 116-inch wheelbase and measuring 16 feet from bumper to bumper. Its V-8 engine develops 95 horsepower. Seats are wide enough for three in front or rear. In streamline styling it resembles both the higher-priced Lincoln Zephyr and the lower-priced De Luxe Ford. The Sedan Coupe is shown above.

Bank of Canada Weekly Statement

A decline of $4.4 millions in sterling and United States currency held by the Bank of Canada was the greatest change in the bank's statement for the week ending Nov. 2.

On the liability side deposits by the Dominion Government were down approximately $3 millions and deposits by the chartered banks down $1.3 million.

Balance Sheet

	Nov. 2 1938 $	Oct. 26 1938 $
Liabilities		
Capital paid-up ...	5,000,000	5,000,000
Notes in circ.	177,046,354	178,581,675
Rest fund	1,348,415	1,348,414
Depos.: Dominion .	27,806,725	30,929,633
Banks	221,474,416	222,786,269
Other	1,457,558	2,414,060
Total deposits	250,738,699	256,129,962
All other liabs.	5,108,121	2,870,550
Total liabs.	439,241,589	443,930,601
Assets		
Reserve: Gold	181,033,268	181,370,827
Res. in sterling and U. S.	36,629,229	41,081,561
Other curr.	632	630
Total reserve	217,663,129	222,453,003
Subsidiary coin	162,690	170,361
Advances	5,000,000	5,000,000
Investments:		
Dom. govt. short.	165,451,316	166,665,669
Other Dom. govt..	44,813,731	45,015,100
Total invest.	210,265,047	211,680,769
Premises	1,707,272	1,705,876
All other assets	4,443,451	2,920,367
	439,241,589	443,930,601
Reserve ratio	50.88%	51.17%

Staff Changes

The Bank of Montreal announces the following staff changes:

C. S. GRENACHE, accountant, Saint John, N.B., to be manager, Shediac, N.B.

N. L. FORD, manager, Shediac, N.B., to be manager, Almonte, Ont.

C. C. WELFORD, accountant, London, Ont., to be manager, Aylmer, Ont.

A. S. J. GALLOWAY, manager, Aylmer, Ont., to be manager, Danforth and Logan Aves., Toronto.

H. D. HELSTROP, accountant, Queen and O'Hare, Toronto, to be manager, Highgate, Ont.

J. B. FOOTE, manager, Highgate, Ont., to be manager, Alliston, Ont.

W. G. GROTHIER, manager, Alliston, Ont., to be manager, Picton, Ont.

A. J. H. DOWNING, manager, Picton, Ont., to be manager, Brampton, Ont.

G. A. McDOUGALL, head office, Montreal, to be manager, Shawville, Que.

A. A. MacCARTNEY, manager, Shawville, Que., to be manager, Lunenburg, N.S.

H. E. MERCER, manager, Lunenburg, N.S., to be inspector, head office, Montreal.

A. S. OLIVER, accountant, Market Square, London, Ont., to be manager, Tara, Ont.

S. L. LUCAS, manager, Tara, Ont., to be manager, Stirling, Ont.

H. P. ELLS, manager, Stirling, Ont., to be manager, Collingwood, Ont.

* * *

The Bank of Nova Scotia announces the following staff change:

H. L. CUMMING has been appointed accountant at Somerset and Bronson branch, Ottawa.

Weekly Bank Clearings

	Nov. 3 1938 $	Change Year Ago %	Oct. 27 1938 $
Halifax	3,072,967	+ 6.9	2,383,701
Saint John ..	2,006,771	— 4.7	1,615,433
Moncton	976,821	— 4.1	920,573
Sherbrooke .	678,850	— 8.2	771,356
Quebec	6,437,699	— 7.0	4,929,205
Montreal ...	138,995,392	+ 5.5	165,367,565
Ottawa	22,636,697	—15.3	16,353,440
Peterborough	671,880	—12.0	590,595
Toronto	161,014,231	+13.0	115,882,241
Hamilton ...	5,817,759	—11.8	5,130,420
Kitchener ...	1,298,026	— 3.9	1,082,825
Brantford ..	1,024,910	—10.6	774,501
Kingston ...	683,184	+ 4.3	575,853
London	2,788,177	—18.1	2,290,536
Chatham	647,979	—37.5	538,837
Windsor	2,734,446	—14.9	2,690,670
Sarnia	480,445	— 6.3	441,887
Sudbury	1,016,829	+20.6	1,170,457
Fort William	832,527	—15.2	706,017
Brandon	570,815	+12.4	374,859
Regina	6,631,405	+37.2	5,542,546
Moose Jaw .	856,317	+15.0	661,830
Saskatoon ..	1,769,443	+ 7.6	1,678,974
Prince Albert	392,468	— 8.1	372,851
Edmonton ..	4,531,962	— 6.3	4,394,928
Calgary	10,060,899	+28.0	11,549,841
Medicine Hat	414,249	+18.2	411,997
Lethbridge .	763,141	— 6.4	773,603
N. W'minster	561,967	—30.9	601,768
Vancouver ..	20,911,853	— 5.7	16,821,014
Victoria	1,877,053	— 7.4	1,582,684
Winnipeg ...	61,916,079	+11.9	50,834,064

Bankers' Association Completes 46th Year

The annual meeting of the Canadian Bankers Association in Montreal this week marks the completion of the 46th year of this body which has had an important influence on Canadian banking.

Organized first as a voluntary organization it was incorporated by Act of Parliament in 1900. Its declared objects were to watch legislation and court decisions relating to banking, to protect the interests of the contributories to the bank circulation redemption fund, generally to guard the interests of the chartered banks and also to promote the education and efficiency of bank officers.

Membership

The Association is composed of the chartered banks which are known as members. At present there are ten but when the Association was incorporated there were 34. Certain of its by-laws, especially those having to do with clearing houses, must be approved by the Treasury Board before they have any force.

Every member is consulted on everything that comes up for discussion. It forms the meeting ground and is the mouthpiece through which members opinions and decisions are made known.

Contrary to general belief it has no control over the monetary policy of the country.

Control of Note Circulation

The immediate factor in bringing about the formation of association was the fact that the banks in 1890 had been made mutually responsible for circulating notes. By the establishment of the Bank Circulation Redemption fund they were required to deposit with the Minister of Finance 5% of their yearly average note circulation and if necessary further assessments could be made. Thus in the event of a bank failure holders of the bank notes which were in circulation would be protected against loss.

The banks felt that if they were to be charged mutually with the responsibility of this fund they should as a body have some voice in the management of the issue, distribution and destruction of such notes. So the Association was formed. Other functions were added as time went on some of which have been assigned to the Association by the Bank Act as duties and others granted as powers.

Four Main Activities

As matters stand now the Association may be regarded as having four main activities. These are supervisory and regulatory, legislative (in assisting and informing legislative bodies in connection with all proposed or existing legislation) educational and publicity.

Regulatory and supervisory work are probably the most important, although they do not come much under the notice of the general public. They contribute a great deal, however, to the general working of the whole banking system.

In 1900 when the Association was incorporated it was empowered to supervise the printing and distribution of notes to the banks and their destruction. The Bank Act itself refers to the amount of notes that can be issued by the various banks and imposes heavy penalties for an over issue. But it is the Association that is responsible for enforcing these provisions.

The establishment and operation of the clearing house centres also comes under the Association. The clearing houses facilitate the exchange of cheques and notes between the various banks.

In its legislative activities the Association watches legislation and court decisions relating to banking and guards the interests of its members. When action is desired on any particular measure the Association usually appoints a committee to investigate and report to the main body which takes the necessary action.

The Association in recent years has gone in more for general publicity and has appointed a Public Relations Adviser. It has endeavored through advertisements to tell the public what are the real functions of the banks and their responsibilities. In the depression and early post depression years the banks were a favorite target for all sorts of charges. A policy of stating the functions of the institutions without entering into controversy has been found effective in bringing the public to realize better the part that the banks play in the country.

As half of the members of the Association have their main offices located in Montreal and half in Toronto, the office of the Association is moved back and forth every two years. It is customary to elect the president for two years and accordingly the office of the Association is always located in the city in which the president resides.

Toronto Brokers' Loans Show Gain in October

The Toronto Stock Exchange reports that member borrowings as at the end of October amounted to $21.4 millions, an increase of $1.1 millions over the end of September. As quoted market valuation of all stocks listed on the Exchange was $5,068.9 millions, an increase of $216.7 millions during the month, the ratio of borrowings to market values was .42 of 1%. This ratio is the same as at the end of September.

Privy Council Gives Reasons

Alberta's Bank Tax Act Found Ultra Vires

Among the reasons given by the Privy Council for dismissing Alberta's appeal against the decision of the Supreme Court of Canada on the famous bank tax legislation was that the bill instead of being in any true sense an effort to raise revenues for provincial purposes was "part of a legislative plan to prevent operation within the province of those banking institutions which have been called into existence and given the necessary powers to conduct their business by the only proper authority—the parliament of Canada."

This, the Privy Council contends was sufficient ground for holding the bill ultra vires.

When the judgment was announced last July the reasons were not given and they have been eagerly awaited by the banks and all interested parties.

The Alberta Government carried three appeals to the Privy Council against the decisions of the Supreme Court of Canada. One was on bank taxation, one on credit regulation and a third on press control. The one on bank taxation was the only one heard as the Privy Council held the others were ancillary to the Alberta Social Credit Act repealed in April, 1938.

It is evident that the Privy Council considered the legislation discriminatory.

The bill provided for an annual levy on one half of 1% on the paid-up capital of the chartered banks, and a tax of 1% on the reserve fund of undivided profits. The tax would be on the whole capital of bank, whether in the province or not.

Impair Dominion Jurisdiction

The Alberta Government sought to justify the legislations under section 92 of the B. N. A. Act as being direct taxation within a province to raise revenues for provincial purposes. The argument was rejected, however, and the court pointed out that under the guise of discriminatory legislation it would be easy to impair or even render void the exclusive jurisdiction of the Dominion over matters mentioned in the B. N. A. Act.

The Privy Council also holds that the Supreme Court of Canada is justified in considering "the magnitude of the tax proposed for Alberta was such that if it were applied by each of the other provinces, it would have the effect of preventing the banks from carrying on their business."

Distillers Issue Stock To Bronfman Firm

From Our Own Correspondent

MONTREAL.—Montreal Stock Exchange has called for trading 5,000 additional shares of preferred and 5,000 additional common shares of Distillers Corp.-Seagrams Ltd. This brings the number of outstanding shares to 1,742,645 of common and 170,000 of preferred.

The additional preferred listed was sold to Brintcan Investments, the personal holding company of the Bronfmans.

1832 1938

An Invitation

The officers of this Bank seek opportunities to discuss banking requirements with the executives of sound enterprises.

World-wide facilities in every department of banking

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE

bank with

BARCLAYS

BARCLAYS BANK (CANADA) offers a complete service to firms and individuals having domestic banking requirements, and places at the disposal of manufacturers and merchants, the Empire-wide banking service of the Barclays Group of Banks maintaining over 2,900 offices and with resources exceeding three billion dollars.

BARCLAYS BANK (CANADA)
MONTREAL 214 ST. JAMES STREET
TORONTO 60 KING STREET WEST

SEE WHAT YOU BUY

So that you can see before you buy, Bachelor cigars are wrapped in transparent Cellophane . . . the silky, richly coloured, imported leaf is in plain view as a pledge of Bachelor quality.

10¢
100% Havana Filler

ANDREW WILSON & CO. LIMITED

BACHELOR Cigars

BEFORE YOU INSURE — CONSULT
CONFEDERATION LIFE
ASSOCIATION
HEAD OFFICE TORONTO

PROFIT FROM EXPERIENCE

At some time during the past 82 years this bank has been confronted with business problems similar to those you may be facing today. You may find that the sound counsel and co-operation we are able to offer our customers as a result of this experience can be of help to you.

THE BANK OF TORONTO
Incorporated 1855

"—we find Dictaphone almost invaluable"
Writes P. W. Gardiner & Son LIMITED

● "We have been using Dictaphone and transcriber in our office for several years and find same to be almost invaluable equipment for the handling of correspondence", writes Mr. A. L. Bennett, Sec. Treas. and Sales Manager of P. W. Gardiner & Son Limited, Galt, Ont., manufacturers of doors, sash and columns. "If the party handling the correspondence is interrupted, he can drop the dictation at any time and pick it up again without serious difficulty and without having caused loss of time on the part of a stenographer. One cylinder can be transcribed while another one is being used for further dictation.

"Apart also from the use of the machine for dictating correspondence, it also makes it possible to leave instructions should the operator be going away from the office or have occasion to work overtime making plans to be carried out by others."

● To save time, to save confusion and costly errors and to keep office work moving smoothly and swiftly—this has been the function of Dictaphone over a long period of years.

Let us show you facts and figures about how quickly Dictaphone pays for itself—how it goes on bringing in profits. Ask your secretary to arrange a free trial in your office.

DICTAPHONE SALES CORPORATION LIMITED
86 Richmond Street West, Toronto
SALES AND SERVICE OFFICES FROM COAST TO COAST

The word DICTAPHONE is the registered trade mark of the Dictaphone Sales Corporation, Limited, makers of dictating machines and accessories to which said trade mark is applied.

DICTAPHONE

RIGHT for RIDING

Surely this is the rider's dream of perfection—100 miles of sandy trails, free from stones, with all-weather non-slip footing. Many horsemen ship their horses here for the winter. Our sand hills climate is kind to man and beast, and our facilities for horse and horseman are exceptionally complete.

For booklet FP and information write General Office, Pinehurst, N.C.

North Carolina Pinehurst

OVERNIGHT FROM NEW YORK BY TRAIN

30 STORIES OF HOSPITALITY

In the Smart East Fifties

Opposite the Waldorf-Astoria

● Quiet dignity for your background. Every measure of comfort — Spacious rooms, beautifully furnished—Plus convenience of location . . . Excellent restaurant and duplex cocktail lounge . . . air-conditioned.

Single Rooms $4-$5 • Double $6-$7

Suites from $8

Special monthly and yearly rates

The Beverly HOTEL

William A. Buescher, Manager

125 EAST 50th STREET • NEW YORK

Honestly? Only $15 for this Complete Thanksgiving WEEK-END

ROOM BATH MEALS } Thursday to Sunday $15 PER PERSON $18—$21

Yes, delicious Senator meals . . . hospitality . . . dancing . . . sea water baths . . . sun decks . . . vita glass solarium. Regular Friday-to-Sunday week-end . . . $10, $12, $14 per person. Do come!

Write for reservation F. Ernest Todd, Res. Mgr.

The SENATOR

ATLANTIC CITY

Visit the LEIPZIG TRADE FAIRS

It's a Profitable Investment

For business executives a visit to the Leipzig Trade Fairs at Leipzig, Germany, is more than a stimulating experience — it is a highly profitable investment. That is why 300,000 buyers return to Leipzig year after year; why the 1939 Fairs will draw executives from 72 countries to inspect exhibits from 34 countries throughout the world. There are no entertainment features, no midways or sideshows. Visitors go to the Leipzig Trade Fairs for one vital reason — profit possibilities.

Come to Leipzig yourself and discover the opportunities it affords for building profits in your business. In the General Merchandise Fair (March 5 to March 10) you will see 6,000 brand new exhibits covering every line for the department and specialty store. In the Great Engineering and Building Fair (March 5 to March 13) you will see 3,500 displays of machinery (practically all in actual operation), equipment and manufacturing processes for every industry.

Buy if you will or merely investigate—you cannot fail to profit from knowing what the whole world offers today in your particular line of business. For 700 years the world's shrewdest merchants have met at Leipzig—you, too, can find new ideas and new profits at the 1939 Trade Fairs.

For full particulars write or call your nearest Honorary Representative. Let him help you plan your trip and arrange for important travel discounts.

Honorary Representatives in Canada:

Mr. L. Mueller-Hickler, Mgr., Hamburg American Line — North German Lloyd, 1178 Phillips Place, Montreal, Que.

Mr. Carl G. H. Schaefer, c/o Siemens-Reiniger, 9 Wellington Street, East, Toronto, Ont.

Mr. Hugo Carstens, 250 Portage Ave., Winnipeg, Man.

Consul H. W. Mahler, Mgr., Hamburg American Line — North German Lloyd, 525 Seymour Street, Vancouver, B.C.

FREE—Which do you wish?

Booklet No. 103 — The General Merchandise Fair.

Booklet No. 104 — The Great Engineering and Building Fair.

Two attractive, informative booklets which show how a visit to the Leipzig Trade Fairs can build profits for your business. Of vital interest to executives, either or both will be sent without obligation. Please write to your nearest Honorary Representative in Canada or to Leipzig Trade Fair, Inc., 10 East 40th Street, New York.

Leipzig TRADE FAIRS

By Air, Land and Sea

Summer Climes and Leisure Keynote Ocean Cruises

Before the Empress of Britain starts on her various cruises next month she will shed two of her four propellers. These will be packed away in mothballs or grease at Southampton where the ship is annually overhauled. They will not be replaced until the regular cross-Atlantic work starts again in the spring.

This little bit of inside history well illustrates the difference between a cruise and a regular sea voyage. The first is a leisurely jaunt, under warm spring and summer skies to peaceful ports of romance and history. World politics, world economics, racial antagonisms are completely forgotten.

The sea trip, on the other hand, is essentially the quickest possible connection between two trading areas, regardless of sunshine and glamor, but with all energies concentrated on making ports without the avoidable loss of a single business hour. The cruise is a Sunday afternoon drive, the voyage the morning rush to the office.

Voyages of Leisure

No matter how short or long the cruise, it may be just around Bermuda or it may circle the globe, the leisure idea prevails. There is no hurry. Schedules are arranged to provide generous stops at interesting ports, to make side or alternative trips, to skirt unpleasant areas of cold or military strife.

The space for passengers and games is extended. Normally a boat like the Empress of Britain would carry 1,200 passengers, on a cruise the limit is 550.

Staterooms that in the transatlantic service are shared by two persons, on cruises are usually allotted to one. There is extra room for trunks, plenty of accommodation for the thousand and one things bought by the passengers in strange ports of call.

From $65 to $16,000

Costs, like the extent of the cruise, vary widely. One can take a four-day jaunt at Christmas from New York to Bermuda and back for a minimum fare of $65 or, if preferable, there is also offered a four-month world cruise to the other side of the globe and back in the largest and most luxurious suite of the Empress of Britain for $16,750. These are the extremes and naturally there are many choices in between. Bigger and more luxurious quarters can be secured for Bermuda, and there are tickets available for the full 4-months cruise ranging down to $2.300 on the Empress.

It is also quite possible to purchase a bit of a world cruise. One can come on, say at Madeira or Gibraltar, and drop off at the Suez, or one can go leisurely from Hong Kong to South Africa or from the latter point to Rio. There are other cruises, too, by other boats.

Considering the luxurious accommodation, comparable with the best club life at home and the all-inclusive services, steamship companies argue that it often costs less to travel than it does to stay at home. Take a couple who have arrived at retiring age. Children have married, new housing arrangements are to be made. They may sublet their town house or apartment or sell it and for $15 to $35 a day, probably not more than their living costs and entertainment at home, they can see the world.

Decks cleared for sports.

Average fare for the complete four-month world cruise, including a long list of standard shore excursions, will cost around $4,000 per passenger. Tips will run about 10%, other expenses depending upon the individual. Some people like to do a lot of private entertaining. Others like to shop, picking up rugs and precious stones in India, carved chests and silks in Hong Kong, trinkets and pottery in Italy. Others, especially veteran world-cruisers, fancy the long and optional side trips offered; jaunts into the far interior of India, Africa and South America.

When a big boat like the Empress pulls out of New York she represents something like $3 millions in purchasing power. Fares may run close to $2 millions, the rest will cover tips, side travel, purchases, extra individual entertainment. For the $2 millions the owners of the vessel receive in fares they will have to make vast expenditures for stores, fuel, insurance, wages for a hand-picked and steadily employed crew of several hundred.

Get Away From Winter

Unlike the Sunday drive or even a more extended motor trip, the steamship cruises and especially the longer ones have to be carefully planned months ahead. In the first place the boats must be overhauled to provide the extra space given passengers and games.

One of the main objects is to get away from winter weather. This means that when a ship starts from New York, say in late December or early January, it must head south into the warmer Atlantic. Planners must be well advised concerning local political developments so that they can keep their boats far away from world troubles. Long before the vessel approaches ports of call, ship officers get in touch with trained observers on shore who advise regarding weather, political and any other possible disturbances.

Last year when one of the big world cruises was approaching Palestine, for instance, officials on board were kept fully advised of any clashes between Arabs and Jews. Had these developed to serious proportions, the boat's schedule was so flexible that a landing could have been made north or south of any trouble zone and new short excursions would have been fully arranged in advance.

While all this business is being transacted between captain and shore committee, care-free passengers are invited to attend interesting illustrative lectures where they are told all about the points of interest about to be visited, advised on leading local products, leading industries and told about various shopping customs.

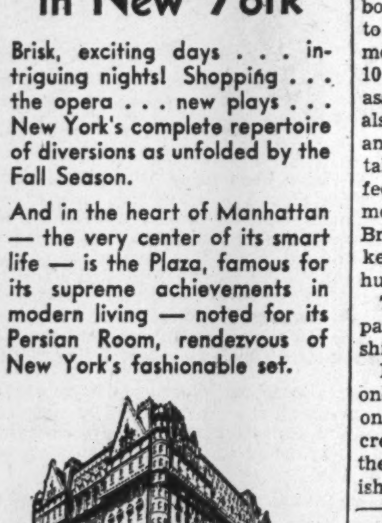
This year, due to troubles in China and Palestine, and also to growing interest in other continents, most of the long cruises feature French Syria and Egypt rather than Palestine, and after stopping at Singapore and Hong Kong will swing south and west to South Africa.

New Cruise Country

This is relatively new cruise country. Almost completely new will be the eastern and northeastern coast of South America. This continent in recent years has been coming to the forefront in the tourist trading world, but until quite recently was seldom visited by outsiders except those bent purely on business.

People of all nations and all nationalities will be found on board the world cruises. Fully as many passengers join the ships in Europe as in North America, so that passenger lists really represent a highly cultured strata of world society. Though long cruises are more practical and appealing to well-to-do persons who have reached the retiring age, and young men and women rounding off college educations, locals or short-trippers picked up en route supply plenty of other ages.

The Marlborough
Winnipeg's Newest Hotel
In the Heart of the City
Fireproof Construction
European Plan
Rates in Keeping With the Times
220 Rooms



The Fall Season in New York

Brisk, exciting days . . . intriguing nights! Shopping . . . the opera . . . new plays . . . New York's complete repertoire of diversions as unfolded by the Fall Season.

And in the heart of Manhattan — the very center of its smart life — is the Plaza, famous for its supreme achievements in modern living — noted for its Persian Room, rendezvous of New York's fashionable set.

Henry A. Rost
President and Managing Director

The PLAZA New York
FIFTH AVENUE AT 58th STREET
FACING CENTRAL PARK

Mrs. L. G. Girvan, Canadian Representative, 67 Yonge St., Toronto. Telephone Waverley 7552. 52 weeks a year to serve Plaza clients.

Lusty Ocean Appetites

Over 8 Pounds of Provisions Per Day For Each Passenger

By F. C. HESLER

Catering Superintendent, Canadian Pacific Steamships, Ltd.

Fundamentally there is little difference in catering whether for dining cars, hotels, restaurants or ships. The difference there is lies in the fact that whereas hotels and restaurants can secure supplies at almost a moment's notice and dining cars must be provided with food for only a short period, ships must be adequately provided with supplies for a comparatively lengthy time. A chief steward of a big ocean liner cannot pick up the phone and call for more butter, beef or chickens once his ship has cleared port.

The secret of maintaining proper supplies is taught only by experience.

How much food is considered "adequate" can be inferred when it is learned that each of the Canadian Pacific's 13 liners on Atlantic and Pacific carries between 100 and 130 tons of provisions per voyage, and food consumption at sea is estimated at about 8½ pounds per passenger each day. In addition to the regular three meals a day, hot bouillon or chicken broth is served to passengers at 11 o'clock in the morning, tea at 4 p.m. and again at 10 p.m. Sandwiches and also an assortment of hors d'oeuvres are also served before lunch and dinner, and the majority of passengers take fruit, biscuits and tea or coffee immediately after rising in the morning. On board the Empress of Britain there are cooks and a barkeeper on duty all night for the hungry or thirsty.

The personnel of the catering department accounts for 70% of a ship's crew.

Each ship has three kitchens—one for cabin and tourist passengers, one for third class and one for the crew. A kosher cook is carried for the benefit of passengers of the Jewish faith.

Menus for all classes are compiled by the chef the previous day and submitted for approval to the chief steward. Copies are then sent to the various kitchens, pantries, bakery, butcher's shop and to the printer, who proceeds to print the table menus.

Before arrival in port, stock is taken of provisions remaining, and requisitions for new supplies are compiled, based on an estimated number of passengers expected for the next trip. The actual number expected is obtained from the local catering superintendent on arrival in port and, if necessary, quantities to be ordered are adjusted.

One or two days are arranged for the receiving of the new provisions, which are checked and inspected at the ship's side with the same care a custom's officer would use when examining a suspected smuggler.

For a Long Trip

The duties involved in catering for the Empress of Britain's world cruise are somewhat different. This is over a four-months trip from New York back to New York, covering 30,700 miles of ocean. A crew of 625 is carried, of which 425 are attached to the catering department.

Because of the quantity and varied nature of the food carried, cargo refrigeration space aboard the Empress is used in addition to the regular space for stores. Sufficient meats, poultry and groceries for the entire cruise are taken on board at the start. Small quantities of fruits, vegetables and fish of the countries visited are procured. Large quantities are not ordered as these provisions are of so delicate a nature that they would suffer in chilled storage for a prolonged period. Potatoes are carefully watched. They are spread loose and kept dry in a good circulation of air.

IF YOU WANT TO GO

Empress of Britain
EIGHTH ANNUAL
WORLD CRUISE
TO PORTS OF PEACE
127 days • 23 countries • $2300 up.
From New York Jan. 7. Your agent or C.P.R. Bldg., King & Yonge Sts., Toronto.
Canadian Pacific

GO NOW!

Travel Notes

Although it ranks among the busiest cities in the West Indies, the spell of tropic nights is not allowed to be broken by motor horns in Port-of-Spain, Trinidad. Over a year ago the use of a horn between 9.00 p.m. and 6.00 a.m. was prohibited. Contrary to somewhat general expectations, there have been no fatal accidents and few accidents of any kind within the prohibited hours since the ban was imposed.

* * *

Historically minded visitors to Trinidad and Tobago are assured of good sight-seeing. Historical forts and other spots have been rejuvenated, walks repaired and all clearly marked. In 1797, where Don Jose Maria Chacon, Spanish governor, got a fine view of the English fleet coming up to capture the Island, today are two modern thoroughfares named after the respective commanders of the Spanish and English forces.

* * *

Trinidad's cruise season opened early in October with the arrival of 721 visitors on the North German Lloyd's Columbus.

* * *

British air transport celebrated 19 years of flying with the arrival the other day of regular Imperial Airways ship at Croydon airport just outside of London.

The first passengers crossing the English Channel by air in August, 1919, paid 25 guineas for flights in small, noisy airplanes hastily converted from war purposes. Today, on luxurious London-Paris airliners, the journey can be made for £4.10. In the first days of the Paris route it cost 7s. 6d. to send a parcel weighing a pound by air between London and the French capital. Current rate works out at slightly less than a shilling.

Imperial Airways and its subsidiary and associated companies now have 29,000 miles of routes in regular operation, while aircraft operating over these routes are flying approximately 30,000 miles a day.

* * *

Transformation of the existing earth track along the banks of the Nile in Egypt into a great 380-mile long motor highway has begun. This will lead from Cairo south through to Kous, 25 miles north of Luxor. It is designed to be one of the world's outstanding drives, and built almost the entire distance upon embankments erected by the Pharoahs for the control of the Nile.

While valuable for military purposes, the new highway, it is expected, will be also a big attraction for tourists. As it is raised above the surrounding country it will offer easily available views of the ancient river and countryside.

* * *

Over $15 millions is being spent on the rehabilitation of the North Beach Airport to provide landing facilities for the New York World Fair next year. The field is located right at the threshold of the exhibition.

* * *

A highspot of Cunard White Star's Corinthia cruise to South America, South Africa and the Mediterranean, sailing from New York February 11, will be a call at Lonely Tristan da Cunha, a small island in the middle of the South Atlantic. Tristan is 1,800 miles east of Rio, 1,500 miles west of Capetown.

The water is too deep for anchorage and as there is no dock available for a large ship, the cruise vessel will simply sail slowly around the settlement. If weather permits, islanders come aboard from their own small boats. Dinner is scheduled for the 125 residents of the island and a large quantity of food, clothing and presents will be distributed. The Corinthia cruise occupies 75 days.

* * *

Commencing February 4, six cruises are planned for the DeGrasse, of the French line. Each cruise will last from nine to twelve days. Ports to be visited include Miami, Havana, Kingston, Nassau, Cap Haitien and Montego Bay.

The DeGrasse is a twin screw turbine steamship of over 18,000 tons, almost 600 feet long and a beam of 70 feet. There have been extensive alterations, and all public rooms and state rooms have been redecorated. Carrying capacity of the ship has been substantially reduced to provide extra space for passengers on the cruises.

PUT THE OCEAN IN YOUR BATHTUB

Salt baths are one of the unique luxuries at these great hotels. Sea water is piped direct from the ocean to your private bath. Hot and cold. Fresh water, too, of course.

CHALFONTE HADDON HALL
ON THE BOARDWALK
ATLANTIC CITY
Leeds and Lippincott Company

For reservations call L. G. Girvan, Canadian Representative, 67 Yonge St., Toronto. Telephone—WAverley 7352.

Where to STOP When you GO IN Canada
Montreal — MOUNT ROYAL HOTEL
Niagara Falls — GENERAL BROCK HOTEL
Hamilton — ROYAL CONNAUGHT
Windsor — PRINCE EDWARD HOTEL

Here's Spring Again in Sunny SOUTH AFRICA

South African Homestead in Mountain Setting

HERE you may thrill to mysteries of the past, the strange Zimbabwe ruins, or drawings in the vanished bushmen's caves; stir to the rhythms of the native kraals, gaze wonderbound at vast Victoria Falls or, in the mighty Drakensberg, find nature's primal home . . .

Yet, you will know the ease and luxury of modern life, travel in comfort, rejoice in up-to-date hotels, enjoy the hospitality of happy folk beneath the British flag. Your travel agency will tell you how such a holiday may be inexpensively planned.

Thrills of the Primitive in Civilized Comfort

Thanksgiving and not a bite in the air

NATURE was kind to us . . . extracted the teeth from our Autumn air . . . salted the air to season appetites. Good thing . . . because Seaside Hotel turkey will challenge your capacity. Bring your family for Thanksgiving Week-End. Attractive rates for the 4 days, November 24 to 27.

Harrison Cook, Res. Mgr.

The Seaside
ATLANTIC CITY

Saint John Calling!

It's the Admiral Beatty—the official AAA hotel. 250 fireproof rooms from $2. single, $3. double. Modern cafeteria. AAA garage.

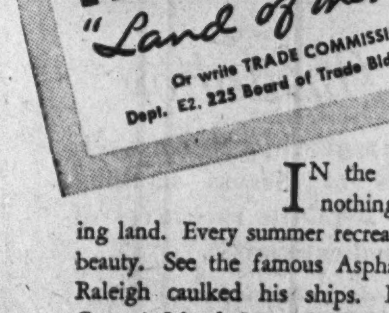
The ADMIRAL BEATTY
SAINT JOHN, N.B.

READY MONEY ANYWHERE

Canadian Pacific Express
TRAVELLERS CHEQUES

NOV. 26
WORLD'S LARGEST SHIP
Express to England and France. Cabin, Tourist, Third. Roomy cabins. Superb cuisine. Free wines (at meals). Take your car along as baggage.
ASK YOUR TRAVEL AGENT
French Line
1196 Phillips Place, Montreal
375 Bay Street, Toronto
CHAMPLAIN . . Dec. 2
NORMANDIE . . Dec. 10

SS NORMANDIE



Spend this Winter

IN THE SUN

Ask your travel agent for the new booklet on
TRINIDAD AND TOBAGO
"Land of the Humming Bird"
Or write TRADE COMMISSIONER
Dept. E2, 225 Board of Trade Bldg., Montreal

IN the whole West Indies there's nothing else quite like this fascinating land. Every summer recreation amid scenes of tropical beauty. See the famous Asphalt Lake at La Brea where Raleigh caulked his ships. Explore Tobago, Robinson Crusoe's Island. So restful—yet there's never a dull moment. So entrancing that you'll want to return again and again.

TOURIST INQUIRY BUREAU
Port of Spain, Trinidad,
British West Indies.

Empire Relations Conference — I

Retreat From Ottawa

Empire Trade Pacts Scrutinized and Found Wanting in Broad Value

The second British Commonwealth Relations Conference, organized by the Royal Institute of International Affairs and the affiliated Institutes in the various Dominions, was held in Sydney, Australia, in September. The purpose of the conference was to consider problems of Empire co-operation. The members of each delegation were carefully chosen to give representation to different political, sectional, or social groups in each country. Three principal items were discussed: Economic relations, foreign policy, and defense.

Professor K. W. Taylor was a member of the Canadian delegation, and was also official recorder of the conference in its sessions on economic policy. He has prepared three articles for The Financial Post summarizing the discussions on trade, migration and currency and finance.

This is the first of these articles. The second and third will appear in later issues.

By K. W. TAYLOR
McMaster University, Hamilton

The discussion of Empire trade at the Sydney conference centred very largely around the results of the Ottawa agreements.

The general point of view was that the arrangements concluded at Ottawa in 1932 were the best that could have been achieved at that time. Ottawa represented a defensive policy adopted in the depths of a major depression, and its objective, to a large extent, was the protection or restoration of reasonable prices for those primary products on the export of which the Dominion so largely depend.

But "the system of Ottawa" does not provide a sound or a satisfactory basis for Imperial economic policy. British, Canadian and Australian members, on the whole, were not disposed to scrap the Ottawa agreements forthwith, but there was a general feeling that they had lost most of their constructive virtues.

Many examples of benefits to particular industries were given. The livestock producer in Canada, Australia and New Zealand has benefitted substantially, partly as a result of the tariffs and quotas agreed upon at Ottawa, and partly as a result of the United Kingdom's internal agricultural policy. Canadian lumber and apples have also benefitted. On the other hand, Australian speakers felt that Ottawa had adversely affected their wool trade.

Disappointment Felt

Manufacturers in the Dominions argued that the Ottawa agreements seriously limited their opportunities for expansion, but British manufacturers were very much disappointed with their failure to secure any substantially improved position in the Dominion markets. Spokesmen for consumers in Great Britain protested that the Ottawa agreements "had wiped bacon off the British workingman's breakfast table."

South African speakers took a rather detached view of Ottawa. While the agreements might have benefitted this particular group or that, they felt that, on the whole, they had not been a constructive move; they had not contributed to the reduction of trade barriers in the world; and they had not added to the sum total of inter-commonwealth goodwill. The good intentions with which the Ottawa conference began had been smothered by the pressure of special interests.

Indian opinion, as expressed at the conference, was definitely opposed to Imperial preference. This attitude seemed to be in part due to a fear of the political implications of tariff preferences, and to the preoccupation of Indians with their problems of constitutional status and racial equality. But it was also due to economic motives. India is determined on a policy of rapid industrialization effected by generous tariff protection.

The Ottawa agreements were further criticized, especially by Australian and British speakers, as a serious obstacle to negotiating satisfactory trade agreements with foreign countries. All members of the Commonwealth, with the exception of New Zealand and Ireland, depend heavily on foreign markets. For none of them are the Empire's markets sufficient. Friendly trade relations with foreign countries, and freedom to negotiate with them, are essential.

A good deal of attention was given to the external political repercussions of Ottawa. While the Ottawa conference did little to create an "economic bloc," its dramatic and oratorical setting did convince much of the outside world that an exclusive economic bloc was in the making. This was especially true of the abandonment of the historic colonial "open door" policy by Great Britain, and the extension of substantial preferences in the dependent Empire.

This fear of an economic bloc and this closing of the colonial open door definitely aggravated international tension. The handicaps placed on the trade of Scandinavian and Baltic countries with Great Britain have tended to drive them more and more into the orbit of German economic and political influence.

British speakers emphasized that a peaceful and prosperous Europe was a fundamental national interest of Great Britain, and of incalculable economic value to the Dominion. But the Ottawa agreements have so tied her hands that she has little to offer Europe in a policy of appeasement. Such speakers urged that the scope of preferential tariffs be broadened to include non-British countries.

Would it not be possible, it was said, to bind preferential tariffs with a policy of political appeasement and the restoration of collective security? Could not the advantages of Ottawa be offered to all nations of demonstrated good faith and goodwill? Other speakers expressed some doubts as to the advisability of linking commercial relations too closely to policies of political realignment. More than one could play at that game.

Still others suggested the development of a "free-trade bloc," initiated by the United Kingdom and the Dominions, but freely open to adherence by other countries. Or, alternatively, that tariff preferences should be extended to all countries and industries which maintain standards of labor conditions at least equal to those defined in the various conventions of the International Labor Organization.

Living Standards

The expansion of world markets is coming to depend more and more on rising standards of living and less on increase in population. The relation of nutrition and rising standards of life to international trade is attracting increased attention, and largely at the instance of Australia and other great raw material producing countries, the economic section of the League of Nations secretariat is making a special study of this problem.

It was pointed out, however, that to discriminate against the exports of "low-standard countries" would normally tend to keep such countries in their backward state. Only through expanding trade could such countries hope to raise their standards of living.

Another important topic discussed at Sydney was the relation of Imperial preferences to the most-favored-nation clause in international trade treaties. The adoption of a general protection tariff and of generous Imperial preferences by Great Britain in 1931, and the increased extent of tariff and quota preferences since the Ottawa conference, have raised very sharply the principle of the most-favored-nation clause.

There was fairly general agreement that there is developing in foreign countries a very serious objection to the continuation of the fiction that Imperial preference is a "colonial arrangement," and therefore exempt from the ordinary application of the most-favored-nation clause.

Some delegates felt that the restoration of the colonial "open-door" would disarm most of this criticism. Others felt that it was the greatly increased margins of preferential tariffs and quotas that had aroused this growing hostility. Only if preferences were on a modest scale, and only if the Empire clearly indicated an absence of economic exclusiveness and a willingness to co-operate internationally, could foreign countries be expected to accept the flagrant inconsistency between Imperial preference and Dominion autonomy.

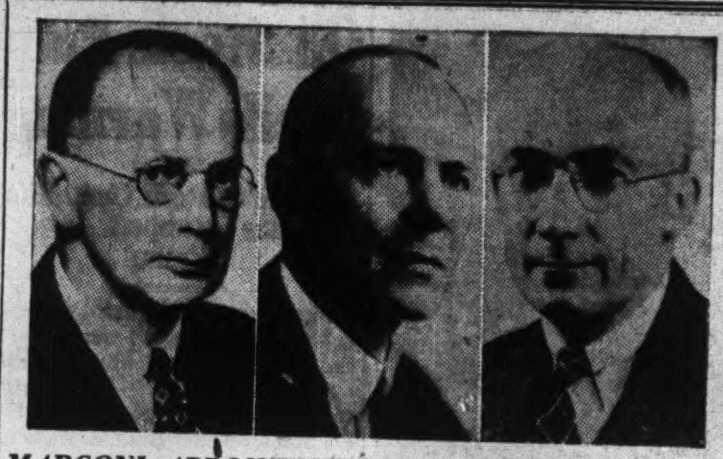
Gist of Discussions

The general tenor of these discussions on trade may be summarized briefly as folows: Economic co-operation toward freer trade between countries is essential if world trade is to recover and expand. Though there is no fundamental economic basis of Imperial unity, the Empire does provide a nucleus of friendly nations where such co-operation can begin and grow.

Within the Empire there will be widely differing degrees of co-operation depending upon the varieties of economic interest in the several Dominions. Some parts of the Empire will find it more natural to extend their trade relations with certain outside countries than with some of the more distant Dominions. Such extensions of friendly relations should be encouraged, rather than be made the object of recriminations.

Imperial exclusiveness is both economically unsound and politically dangerous. It is in the interests of the members of the Empire, individually and collectively, to extend their friendly trade relations with foreign countries, and no narrow conception of Empire should be allowed to frustrate such developments.

Speakers from all parts of the Empire gave their blessing to projects of Anglo-American-Canadian co-operation in trade; and Australia, New Zealand and South Africa were urged to continue the development of their trade agreements with Germany, Japan, Italy, Poland and other countries.



MARCONI APPOINTMENTS

Canadian Marconi Co. announces the appointment of L. S. Payne (left) as chief engineer, J. H. Thompson (centre) as technical counsellor and J. M. Conroy as deputy chief engineer. All three have been with the company for a number of years.

Newfoundland Notes

Bounty On New Vessels

As an encouragement to the fishing industry, the Commission Government of Newfoundland is again paying a bounty on the construction of new vessels. Conditions relating to the bounty are almost identical to those under the 1933 legislation. However, the minimum tonnage has been reduced from 15 to 12 tons. Furthermore, an additional bounty of $10 per horsepower is to be paid on engines using crude oil which are installed in new vessels. No bounty will be paid on engines using gasoline. Bounties range from $10 to $30 a ton without motor power, depending on the type and size of the vessel.

* * *

Control Marketing

The Newfoundland Fisheries Board is exercising close supervision of the marketing of codfish in order to avoid flooding of any particular market to which Newfoundland exports. In order to accomplish this a marketing plan has been adopted and sales to most markets are being permitted only through groups of exporters under supervision of the Fisheries Board.

At the same time, as a result of conferences between the Fisheries Board and the Salt Codfish Association, prices to fishermen at certain designated points have been fixed at $3.75 per quintal for small Madeira, $3 per quintal for No. 1 Labrador, and $2.70 per quintal for No. 2 Labrador. There will be the usual differential for other sizes and types of fish.

* * *

To Grade Agricultural Produce

The Commission Government has published general information relating to a proposed bill providing for the grading and marking of agricultural produce. The main purpose of the proposed bill is to increase demand for Newfoundland grown produce by enabling buyers to be given a guarantee of both its quality and origin. A national trademark—known as the National Mark—is to be established for application to produce graded in accordance with statutory grades under the Act. Grading is not to be compulsory.

Chemistry Tops Invention List

Experiments Leading to Improved Plasters, Textiles, Metals

Canadian inventors continue to be very largely interested in the chemical field. Patent applications in this branch roll into Ottawa at the rate of over 2,500 per year or almost a thousand above the electrical field, next most popular.

Total inventive activity, according to the current report of J. H. Mitchell, commissioner of patents, slumped a trifle for the fiscal year ended March, 1938. Transactions leading to patents, trademarks, designs, etc., amounted to almost 66,000 which was a decrease of 3% from 1937. Applications for patents, however, were slightly larger.

Plastics and Chemical

There was considerable development of new artificial resins, used in the plastic industry, and there was also increased interest in new motor fuels.

A number of new chemical assistants in the textile industry were developed, probably the most interesting being the discovery of a process for waterproofing textiles so that the appearance, softness of feel are not changed when subjected to washing or cleaning operations.

Lighter Metals

In metallurgy there was continued activity in the extraction of magnesium and the production of new magnesium alloys. The demand for lighter materials for aircraft and motor car construction resulted in new aluminum base alloys. Corrosion resistant steels for use in refrigerators and evaporators are apparently receiving more attention.

Television

In the electrical field, television continues to attract a great deal of interest among inventors. Noteworthy development has been the production of electron multipliers for larger amplification for a greater amount of power and for the intensification of optical images. A large number of inventions in electrical control systems for the automatic direction of traffic has been submitted.

In miscellaneous branches of industry, there was much activity. Increased speed for Diesel engines was aimed at by improving the mixing of fuel and air in the cylinder. Linings and seams for beer cans to prevent clouding the contents and to withstand pasteurizing were improved.

In coin-controlled gasoline pumps, in the manufacture of laminated glass, in duplicating printing machinery, in portable vacuum cleaners and in anti-glare devices for headlights, there was a considerable increase in inventive effort over previous years.

Provincial Transport Earnings Increase

From Our Own Correspondent

MONTREAL.—Earnings of Provincial Transport Co., which operates bus lines running into Montreal, continue to show improvement. Gross earnings in September amounted to $160,741, compared with $147,452 in the same month of last year. Net earnings for the period were ahead of a year ago by $6,501, amounting to $28,570.

Cumulative returns for the first nine months of the current year show an increase in net earnings of $40,355 to $201,399.

Public Utility Earnings

Brazilian Traction

September:	1938 $	1937 $	Decrease $
Gross earn.	3,275,742	3,517,667	241,925
Oper. exp.	1,481,418	1,530,991	49,573
Net earn. ..	1,794,324	1,986,676	192,352
Nine Months:			
Gross earn.	28,299,107	29,183,469	884,362
Oper. exp.	13,229,422	13,022,062	*207,360
Net earn. ..	15,069,685	16,161,407	1,091,722

*Increase.

Jamaica Public Service

September	1938 $	1937 $
Operating revenues ..	75,221	74,248
Gross income†	22,203	24,080
Net income	13,983	15,261
12 Months Ended Sept. 30		
Operating revenues ..	926,583	885,204
Gross income†	286,170*	280,884
Net income	183,868*	176,348

* Adjusted for increased Jamaican Income tax.

† After retirement accruals.

The above figures translated from sterling at the rate of $4.86 2/3 to the pound.

Proposed Coal Subvention Help to Dominion Coal

From Our Own Correspondent

MONTREAL.—Dominion Coal Co., subsidiary of Dominion Steel and Coal Corp., stands to benefit materially if the Dominion Government increases the rail subvention on coal moving from Nova Scotia to the central Canadian market. Reports from Ottawa are that the matter has been considered by the Government and approved in principle, but no details are available as to the extent of the proposed increase.

Under a Government order laid down some years ago coal from Nova Scotia marketed in Quebec and Ontario is aided by a subvention which is used toward reducing the cost of rail transportation. The money is not paid to the coal operators, but to the railway and the amount varies with the distance of the haul.

Over 1,500,000 tons of Nova Scotia coal are marketed in central Canada annually with the aid of the subvention. The amount paid varies, of course, with the distance of the rail haul, but averages between 80 cents and $1 a ton.

The subvention has been part of the Dominion Fuel Policy and has been of direct benefit to the coal mining areas in the East, particularly in those areas in which Dominion Coal and Dosco operate.

Chamberlain Hopeful But Not Sure of Peace

When He Began His September 28 Speech to House, British Prime Minister Knew Hitler Had Weakened

By FLOYD S. CHALMERS
Editor, The Financial Post

Most critical day of the Sudeten crisis was Wednesday, Sept. 28. On that morning the scales seemed weighted a hundred to one for war. Hitler had ordered mobilization for 2 o'clock. War seemed unavoidable. Yet by evening peace was assured.

At 4.20 that afternoon Prime Minister Neville Chamberlain was speaking in the House of Commons when a colleague handed him a note. Mr. Chamberlain read it and then, turning to the House again, he said:

"I have now been informed by Herr Hitler that he invites me to meet him at Munich tomorrow morning. He has also invited Signor Mussolini and M. Daladier. Signor Mussolini has accepted and I have no doubt M. Daladier will also accept."

Pandemonium broke loose. Members cheered and even the galleries demonstrated. In Queen Mary's eyes there were tears of joy.

The Prime Minister wound up his speech within one minute. Exactly five minutes later the House adjourned, suddenly, dramatically, while the news that it was to be peace flashed around the world.

News Spread Quickly

And it is amazing how quickly the news did spread. One newspaperman I know rushed out of the House as soon as the message came. The crowds in the street called to him, "What's the news, matey?" He shouted "Peace." As he half ran down the street he heard the loud cry of "Peace" rushing down the crowds like a long wave thundering obliquely on a reef.

Another distinguished statesman, who was in the chamber, left as soon as the House adjourned. He told me afterwards that he was disappointed that he could not find a person to whom he could convey the glad news. Everyone had heard it within a minute or two.

The story of that scene has been written by scores who were privileged to witness it. It had the elements of exciting drama in it.

Since I returned to Canada three weeks ago many people have asked me, "Was it all staged? Did the Cabinet put on a grand-stand show? Didn't Chamberlain know, before he began to speak, that peace was certain?"

The questions are apparently based upon a belief that Herr Hitler's message had actually arrived before the Prime Minister began to speak; that Mr. Chamberlain knew at 2.54 that afternoon, when he stood up in the House, that the crisis was over and war had been averted.

There is nothing in the known facts to sustain that contention. Mr. Chamberlain had reason to hope but until 4.20 that day he was not sure of peace.

Facts of the Case

Let us review the record of what happened.

On Monday (the 26th) Mr. Chamberlain sent Sir Horace Wilson to Berlin with a personal message to Herr Hitler, to be delivered before the speech Der Fuehrer was to make at 8 o'clock that night. The letter has been published. It was a last appeal to reason.

Hitler received Wilson coldly and refused to make any concessions. He went ahead with his threatening speech.

Mr. Chamberlain then realized that a determining factor in Hitler's mind was the German Chancellor's distrust of President Benes and the Czech Cabinet. He therefore agreed on behalf of the British Government to undertake to guarantee to Germany that the promises made by the Czech Government would be carried out.

On Tuesday, Sir Horace Wilson again saw Hitler and warned him that if Hitler marched on Czechoslovakia, and France went to war, the British would be in it too.

Then late on Tuesday night Mr. Chamberlain received a letter from Hitler—a reply to the one Sir Horace Wilson had carried. The letter was couched in terms quite different from Hitler's Godesberg memorandum.

Plea to Save Hitler's Face

This letter was rushed into type and appeared in the White Paper that was distributed to the members of the House of Commons when they met at 2.50 on Wednesday. To the ordinary reader the letter seems stubborn and blustering enough but anyone who reads it against the Godesberg memorandum must realize that it was a plea by Hitler to Chamberlain to do two things; first, to save the peace and, secondly, to save Hitler's face.

Mr. Chamberlain said of this letter when he referred to it in the House:

"The reflection which was uppermost in my mind when I read his letter was that once more the differences and the obscurities had been narrowed down still further to a point where really it was inconceivable that they could not be settled by negotiations."

After receiving this letter from Der Fuehrer Mr. Chamberlain on Wednesday morning sent a "last last" letter to Hitler saying he was ready to come to Berlin for a four power conference and adding: "I cannot believe that you will take the responsibility of starting a world war which may end civilization, for the sake of a few days' delay in settling this long-standing problem."

At the same time he sent a personal message to Signor Mussolini asking the latter to press Hitler for an acceptance of the proposal of another conference.

The Earl of Perth, British ambassador in Rome, was also instructed to call on Foreign Minister Ciano and ask for Mussolini's intervention in inducing Hitler to delay the mobilization that had been called for 2 o'clock that afternoon.

3 Hours, 40 Minutes Left

What happened in Rome has since been told. When Lord Perth's secretary telephoned the foreign minister for an appointment an excited voice begged that Lord Perth should come over immediately. At the Foreign Ministry Lord Perth found Count Ciano pacing up and down the room with a watch in his hand, exclaiming:

"There are only three hours and 40 minutes left."

The result of the conversation was that Mussolini, excited and happy to have a chance to intervene and stop a war that would have destroyed his regime, telephoned his ambassador in Berlin to get in touch with Hitler. There was some delay. Mussolini, impatient, waited a few minutes for an answer and then, when no answer came at once, he called up Hitler personally. The latter agreed to postpone for 24 hours the mobilization which meant, in effect, operations against Czechoslovakia and an European war. This information was conveyed to Lord Perth. Presumably Mr. Chamberlain was notified at once.

This was the situation when Mr. Chamberlain entered the House and began his address. He knew that the skies were much brighter—although peace was not yet certain. Others who knew of the events of the morning were feeling immensely cheered but Mr. Chamberlain, no doubt, scarcely dared to do more than hope.

A British political writer, describing the opening of the House, drew a contrast between Mr. Chamberlain's tired and almost beaten attitude in his broadcast to the British people on Tuesday night and the more cheerful, almost jaunty air of his entrance to the House on Wednesday and the confident manner in which he began his speech.

Mr. Chamberlain began to speak at 2.54. He made a brief reference to the critical situation and said that, unhappily, his hopes of being able to present the House with a peaceful solution had not been fulfilled. He added, "Today we are faced with a situation which has had no parallel since 1914."

No Appeal to Emotion

He then plunged into a categorical recital of the events of the crisis. There was no appeal to emotion in his address; no unkind words about anyone, no fear, no hope. He was reading and interpreting documents. Was he playing for time, hoping for the message from Hitler that would finally open the door to peace? Possibly so. As the minutes passed, Mr. Chamberlain knew that in Berlin a now hesitant Chancellor was wrestling with the final decision that now rested with him alone.

Mr. Chamberlain at 4.20 reached the point in the connected narrative of events when he was able to tell about his last personal appeal to Hitler, his message to Mussolini, and the 24 hours postponement of the German mobilization. It was at that moment that the message from Hitler, inviting him to a four-power conference, arrived. What Mr. Chamberlain had been hoping for had come to pass.

In Berlin, Hitler was on the telephone to Rome, speaking for the second time that day to Mussolini, and inviting him also to come to the conference.

My interpretation of the events is that when Mr. Chamberlain entered the House he was hopeful of a settlement. His reading of Hitler's last letter and the eagerness with which Mussolini responded to the opportunity to make a personal appeal to Hitler must have made him confident. But until Hitler actually agreed, not merely to postpone mobilization, but to meet the leaders of the other three powers in a conference, Mr. Chamberlain could not do more than pray that the final outcome would be peace.

When Mr. Chamberlain started to speak much of what he knew was known to but a handful of people. But by the time the message from Hitler arrived, everything that Mr. Chamberlain knew had been dispassionately revealed in his simple and categorical speech.

Winnipeg Scooped the World

There is reason to believe that the first newspaper in the world to publish the news that the situation had taken a turn for the better, that Hitler had begun to climb down, was a Canadian newspaper, the Winnipeg Free Press. It published an extra at 9.15 a.m. (CST), equivalent to 4.15 p.m. (London daylight time). Its "banner" headline read "HITLER MAKES BID FOR PEACE." The grain market broke immediately.

The Free Press's dispatch from London was not based upon the invitation from Hitler but upon the letter that was slipped into the White Paper at the last minute before the House met. Of those who knew about the letter only a few recognized the importance of its changed tone.

W. D. Beath Net Close to 1937

Company Acquires Manufacturing Rights to New Road Scraper

Indications at present are that W. D. Beath & Son will report earnings for 1938 at just about the same level as last year. It is understood that some lines of the company's products are making a better showing while others are down, but, on the average, level of business has held very close to 1937.

Last year was the best that the company had reported for several years. Net earnings amounted to $42,577, compared with $8,267 in 1936. After charging full depreciation and providing for other charges, there was a loss of $1,053, but 1937 was the first time that the company had been able to set aside normal depreciation for several years.

To Make New Scraper

W. D. Beath & Sons report that an arrangement has been completed with the Root Spring Scraper Co., Kalamazoo, to manufacture the latter company's line of road scrapers in Toronto. These scrapers will be adapted for attachment directly to trucks, thus eliminating the necessity for a separate power unit. W. D. Beath & Sons will have rights to the Canadian and export markets.

Acquisition of rights to this scraper will result in rounding out the company's line of road-maintaining equipment. It already makes snow plows and dump bodies for trucks. With the addition of the scraper, which is also designed to attach to trucks, the company can supply equipment for year-around use of the truck in road work. The company's line also includes other types of truck bodies, steel drums and tanks, conveyors, pumps and service station equipment.

Inter. Utilities Issues Stock

An additional 929½ class B shares of International Utilities Corp. is being listed on the Montreal Curb. These shares have been issued as part of the merger with American Equities Corp. and a further 8,959 class B shares were issuable Oct. 31. International Utilities has 1,243,335½ class B shares outstanding, while 175 class A shares were cancelled in October, reducing amount outstanding to 88,126 shares.

Can. Car Not Making Aircraft in Mexico

From Our Own Correspondent

MONTREAL.—The agreement between the Canadian Car and Foundry Co. and the Mexican Government for the manufacture of aircraft in Mexico City has never been implemented, according to L. A. Peto, vice-president of the company.

Under the agreement the Mexican Government was to provide a factory for the manufacture of military aircraft and profits were to be shared equally by the Government and the company.

Lieut. Roberto de la Barreda, of the Mexican Air Force staff, is at present in Canada for the purpose of inspecting the company's factory at Fort William. He is accompanied by Howard F. Klein, the company's representative in Mexico. It is possible discussions will be resumed as a result of his visit.

OILS

INCREASED investment interest in Canadian oils and substantial developments affecting the industry, have again created pronounced demand for a complete, up-to-the-minute picture of the present situation in this increasingly important industry. Accordingly, about November 26, The Financial Post will issue the . . .

SURVEY OF CANADIAN OILS 1939

The book will be complete in every particular. Every field will be covered and all facts checked on the field. In reviewing each operation, details of properties, drilling contracts, royalties, etc., will be given. Maps and charts will illuminate the text.

A valuable reference book for investors, investment houses, executives in the industry, engineers and geologists and manufacturers of machinery and supplies.

Size 6" x 9" — nearly 200 pages.
Price per copy, postpaid $1.00.

YOUR ORDER FORM

THE FINANCIAL POST,
481 University Avenue, Toronto 2.

Send me............copies of The Financial Post SURVEY OF CANADIAN OILS, 1939.

Herewith $.............in payment.

NAME ....

ADDRESS ....

.... 948

Now

HERBERT TAREYTON LONDON SMOKING MIXTURE

HERBERT TAREYTON In Pouches

POUCHES - 25c
PACKAGES - 25c
HALF-POUND TINS - $1.50

T-18

"THERE'S SOMETHING ABOUT IT YOU'LL LIKE"

For MODERN EFFICIENCY AND MODEST COST use Safety SEAL NATIONAL envelopes

Order from NATIONAL PAPER GOODS LIMITED HAMILTON ONTARIO
BRANCHES TORONTO · WINNIPEG · MONTREAL

—From an old print

First Through Cargo

It was the gallant clipper ship "Titania" in 1889 that won the honour of landing the first through cargo from London to Vancouver. She took 105 days, from land to land, for her memorable voyage.

An epoch-making event. Yet 42 years previously, in 1847, the Canada Life, had issued its first policy. It was then, and continued to be for almost twenty years, the only Canadian life insurance company.

With the same enterprise so apparent in pioneer days, the Canada Life continues to safeguard the future of its policyholders and their dependents. Each week an average of approximately five hundred thousand dollars is distributed to those it serves.

The Canada Life
Canada's Oldest Life Assurance Company
Head Office - Toronto

November Dividends Drop $1.3 Million from 1937

Dividend payments to be made in November by Canadian companies will be down about $1.3 million from the same month last year, according to an estimate by The Financial Post.

By far the largest part of the decrease is caused by inclusion last year of the $1 a share extra paid by American Cyanamid in November, and requiring $2.5 millions, which has not been declared this year.

Consolidated Press is paying 15 cents a share against 25 cents a year ago, Corporate Investors five cents instead of seven, and Humberstone Shoe 25 cents rather than 50.

There are two companies making initial payments in November, Leitch Gold with two cents and Pamour with 12 cents.

Extras will be paid by Canada & Dominion Sugar with 25 cents, Hollinger with five cents, Laura Secord with $5 and Toburn with two cents. Wood, Alexander & James is paying $1.75 a share toward arrears on its preferred.

Year's Total Down

Including estimated dividend payments for November, the year's total for 11 months will become $229.7 millions. This is somewhat lower than the $232.5 millions reported for the first 11 months of 1937.

Summary of November Payments

	1938	1937
	$	$
Dividends	7,765,604	9,045,612
Bond interest	35,324,000	33,998,000
Total	43,089,604	43,043,612

Dividend Payments

Company:	Rate	Date	Amount
	$		$
Anglo-Can. Tele., pfd.	.68¾q	1	49,912
Assoc. Tel. & Tel., 7% pfd.	.49	15	16,153
Do., $6 pref.	.42	15	19,821
Ault & Wiborg, pf.	1.35¾q	1	7,562
Beatty Bros., 1st pfd.	1.50q	1	15,000
Blue Ribbon, pfd.	.50q	1	14,925
B. C. Tele., 2nd pf.	1.50q	1	67,500
Buffalo Ankerite	.25q	15	175,419
Calgary Power, pfd.	1.50q	1	90,000
Can. & Dom. Sugar, ex.	.25	1	375,000
Canada Iron, pref.	1.50s	15	58,167
Can. Bk. of Commerce	2q	1	600,000
Can. Bronze	.37½q	1	30,000
Do., pref.	1.25q	1	9,375
Can. Invest. Fd., sp. & ord.	.03q	1	49,423
Can. Investors, c.	.10q	1	10,000
Canadian Oil, c.	.12½q	15	17,970
Coast Breweries	.03q	1	54,094
Commoil Oils	.04	29	37,637
Commonwealth Int'l.	.04q	15	6,399
Consolidated Press, A	.15q	1	7,500
Corporate Inv., A & B	.05	15	9,848
Cosmos Imp. Mills, c.	.25q	15	25,000
Crown Cork & Seal	.25q	15	25,000
Distillers-Seag., pfd.	1.25q	1	212,500
Dom. Bridge	.30q	15	154,185
Dominion Tar, pfd.	1.37½q	1	69,231
Easy Washing, pfd.	.35	1	2,250
Growers' Wine	.35s	1	1,750
Guelph Carpet	1a	1	35,000
Do., pref.	1.62½q	1	8,125
Gunnar Gold M.	.03	15	81,123
Gurd, Chas., pfd.	1.75q	15	4,200
Hollinger Cons.	.05	4	246,000
Do., extra	.05	4	246,000
Humberstone Shoe	.25q	1	5,000
Imperial Bank	2.50q	1	175,000
Inter. Metal Ind., pref.	1.50q	1	46,231
Do., A pref.	1.50q	1	21,577
Inter. Nickel, pref.	1.75q	1	483,486
Inter. Utilities, pref.	1.75q	1	7,137
Do., $3.50 pref.	.87½q	1	86,639
Island Mtn. Mines	.05	15	52,535
Laura Secord, bonus	5	7	287,500
Leitch Gold Mines	†.02	15	57,000
Mtge. Corp. of N. S.	1.75q	1	11,900
Neon Prod. W. Can., pf.	1.50s	1	5,400
Ontario Steel, pfd.	1.75q	15	6,304
Orange Crush, pfd.	.35s	1	10,500
Pamour Porcupine	†.12	1	600,000
Penmans	.75q	15	48,388
Do., pref.	1.50q	1	16,125
Quebec Power	.25q	15	138,299
Rolland Paper, c.	.25q	15	15,000
Saguenay Power, pf.	1.37½q	1	68,750
San Antonio Gold	.07	5	162,166
Sec. Std. Royalties, pf.	.01	1	25,035
St. Law. Flour	.25q	1	9,000
Do., pref.	1.75q	1	10,062
Shawinigan W. & P.	.20q	15	435,650
Simpsons, pref.	1.25q	1	140,625
Simpson. Robt., pfd.	3s	1	100,500
South. Can. Power, c.	.20q	15	80,000
Steel of Canada	.43¾q	1	201,250
Do., pref.	.43¾q	1	113,685
Texas-Can. Oil	.06s	30	132,000
Toburn Gold M.	.02q	22	37,000
Do., extra	.02	22	37,000
United Corp., A	.37q	15	23,779
United Steel, A	75s	1	16,597
Westminster Paper	.25s	1	11,947
Weston, Geo., pfd.	1.25q	1	21,875
Wood, Alex. & J., 1st pf.	‡1.75	1	11,375
Zeller's, pref.	.37½q	1	11,250
Total			7,765,604

q—Quarterly. s—semi-annually.
a—Annually. †Initial. ‡Arrears.

Bond Interest Due in November

	1938
	$
Municipal	4,511,000
Provincial	6,998,000
Dominion	23,815,000
Total	35,324,000

Alberta Hires Bond Expert

Goes to U. S. for Help to Plan Refunding of Debt

From Our Own Correspondent

EDMONTON.—The Social Credit Government has retained Harold B. Reed, president of the Municipal Bonding Corporation of Los Angeles, Cal., in connection with possible refunding of the Alberta public debt, it was revealed as two orders-in-council appropriating expense money for Mr. Reed by special warrant became known.

Mr. Reed has already visited Edmonton and conferred with Government officials. He apparently made no contact with Canadian financial circles, and returned to the U. S. to work on proposals for raising money there.

As an assistant, the Aberhart Government provided him with J. J. Sousa, Calgary, reported to have been a government employee. Total expense money provided was $1,950.

Premier William Aberhart's announcement of the "cancellation" of $3,821,000 of agricultural debts owing to the Government since 1917-22 was regarded here as a straight bid for support in the Athabaska by-elections but otherwise unimportant. Those debts were written off long ago for all practical purposes, inasmuch as many of the debtors had died and many more had abandoned their farms.

Even if the $3,821,000 cancellation in Alberta had meant something to farmers here, it still would be tiny compared with debts written off by other agencies. For instance, the banks always are reticent, for business reasons, about what concessions they give the public and they refuse to announce figures, but it is estimated that since 1930 the banks have cancelled about $16,000,000 of private debt in Alberta.

Rail Revenues Up in October

C. P. R. Gross Jumps $2 Millions — C. N. R. Up $606,000

From Our Own Correspondent

MONTREAL. — Gross operating revenue of the Canadian Pacific Railway in the current year may yet equal or exceed last year's total.

Traffic receipts in October were especially favorable, amounting to $16,935,000. This is an increase of $2,206,000 over the same month of 1937, and makes the third successive month in which there has been an increase. September gross revenues were $1,430,000 higher than in the same month last year and August, $269,000 higher.

Gross earnings of the C.P.R. to the middle of August were $6.5 millions below the same period last year. At the end of October the decline amounted to only $2.5 millions. Assuming a continued improvement in earnings it is probable this reduction will be eliminated before the end of the year.

Weekly results for October are given below:

C. P. R. Gross Earnings

Week Ended:	1938	1937	Incr.
	$	$	%
Oct. 7	3,929,000	3,376,000	16.38
Oct. 14	3,769,000	3,256,000	15.76
Oct. 21	3,646,000	3,296,000	10.62
Oct. 31	5,591,000	4,801,000	16.45
	16,935,000	14,729,000	14.98

C.N.R. Results Better

Traffic receipts of the Canadian National Railways also increased in October, amounting to $19,935,153. This is an increase of $606,796, or 3.13%, over the same month last year.

Gross earnings of the C.N.R. for the first 10 months of the current year are $12.1 millions lower than in the same period of 1937, totalling $150.2 millions.

Weekly figures of gross for October are given below:

C. N. R. Gross Earnings

Week Ended:	1938	1937	Incr.
	$	$	%
Oct. 7	4,496,271	4,308,844	4.35
Oct. 14	4,285,704	4,013,150	6.79
Oct. 21	4,630,298	4,522,175	2.39
Oct. 31	6,522,880	6,484,188	0.60
	19,935,153	19,328,357	3.14

Bell Operations Are Maintained

Returns to End of Third Quarter Slightly Off from 1937

From Our Own Correspondent

MONTREAL — Operations of the Bell Telephone Company of Canada for the first nine months of 1938 were relatively well-maintained compared with the same period last year, according to figures released by the company.

Long distance revenues this year were down only 4% from 1937. Although overseas telephone calls have continued below last year, calls across the Dominion by the Trans-Canada System showed a slight improvement.

Gain in Installations

Up to the end of September there was a net gain in telephone installations although it was only 40% of the net gain recorded a year ago. However, reflecting the recent improvements in the domestic business situation, there was a net gain for September that was equal to fully 80% of that recorded in the same month of 1937.

Latest figures suggest an improving trend in recent long distance revenue, also, that these were down 6% at the end of the first five months. On the other hand, in the months prior to September the rate of gain was not quite as good as that for the first five months of the year, when there was a net gain equal to about 50% of that recorded in the preceding year.

Fredericton, N.B.—A loan of $200,000 from the Federal Government under provisions of the Municipal Improvements Assistance Act will be used for extensions to the Victoria Public Hospital.

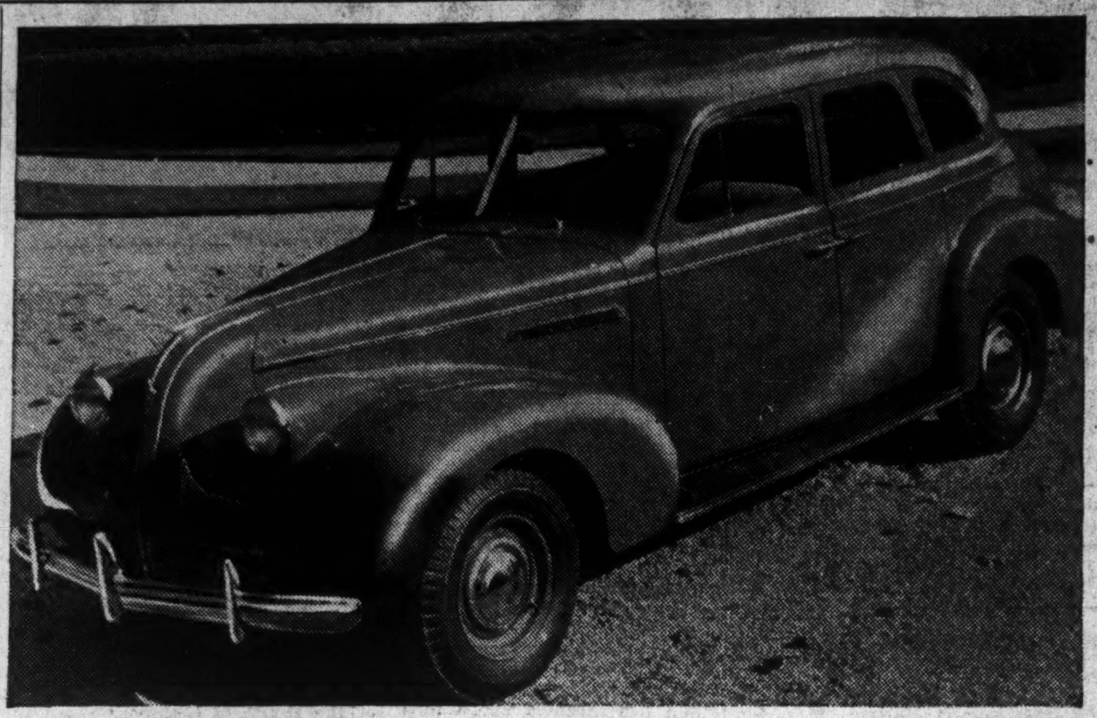
CARR'S
"CELESTIA"
HAND BEATEN KASHMIR
ISAAC CARR & CO LTD

ON PALL MALL

OR PARK AVENUE

—on "Main Street"—those who present the smartest appearance—wear overcoats tailored from Carr's Celestia. Only the finest Kashmir and selected Australian wool enters into the weaving of this cloth and its quality demands the finest of tailoring. Manufacturers are proud to place the Carr label in the coats they make and this label should be your guide to the quality, warmth and long wear, that make a coat of Carr's Celestia, Elysian or Melton worth every cent you pay for it. Be sure the coat you buy has this label.

Isaac Carr & Co. Limited
Twerton Mills, Bath
WEST OF ENGLAND



NEW BUICK MAKES BOW

Longer and lower with body entirely restyled, the new 1939 McLaughlin-Buicks are now in full production at Oshawa and Regina. New gear shift, accelerator and rear direction indicator are special features. Like all the General Motors line this year lights are mounted between fender and body, windshields and other windows are greatly enlarged. Radiator grille has been lowered, giving a strikingly new front appearance and adding to efficiency of cooling system. Above the sedan of the 44 series on a 120-inch wheelbase.

Can. Invest. Fund Alters Portfolio

Base Metal and Senior Gold Stocks Bought in Last Quarter

From Our Own Correspondent

MONTREAL.—Increased holdings of base metal senior gold stocks is indicated in the report issued to shareholders by Canadian Investment Fund covering changes made in the investment portfolio during the past quarter.

The changes made were as follows:

Increases: British-American Oil Co., 3,000 shares; Canadian Bronze Co., 500 shares; Consolidated Mining & Smelting Co. of Canada, 200 shares; Hollinger Consolidated Gold Mines, 2,000 shares; Imperial Oil Co., 1,000 shares; International Nickel Co. of Canada, 1,000 shares; International Petroleum Co., 600 shares; Lake Shore Mines, 1,400 shares; McIntyre Porcupine Mines, 600 shares; National Breweries, 200 shares; Noranda Mines, 200 shares; Ogilvie Flour Mills Co., 100 shares; Wright-Hargreaves Mines, 8,000 shares.

Reductions: Bank of Canada, 50 shares; Crane Co., 3,000 shares; General Electric Co., 1,000 shares; Montgomery, Ward and Co., 1,200 shares; Sherwin-Williams Co. (U.S.), 400 shares; Union Carbide and Carbon Corp., 1,000 shares.

Dominion Coal Co. Output Off Last Month

MONTREAL. — Dominion Coal Co.'s ten Cape Breton collieries produced 316,667 tons during October, a decline of 62,838 tons in the output for the same month last year. Compared with the previous month, there was an increase of 15,332 tons in production.

O'Brien Quarterly Output $403,204

Profit Before Write-offs $242,916 from June 12 to October 1

From Our Own Correspondent

MONTREAL. — In O'Brien Gold Mines report for the fourth quarter, June 12 to October 1, the mill treated 16,958 tons containing 11,843 oz. of gold, valued at $414,510, from which was recovered 11,520 oz. of gold valued at $403,204, or an average extraction of 97.3%.

Of the ore sent to the mill, approximately 33.4% came from development and averaged $9.62 a ton.

Operating costs during the period totalled $160,288, leaving an operating profit, after development and diamond drilling expenses, of $242,916.

Oil Stock Plan Elicits Warning

Scheme to Push Canadian Sales Rapped by Bureau

Warning against a current attempt to build up a Canadian "sucker list" and push sale of stock in a supposed oil land development in the western United States, has been issued by the Toronto Better Business Bureau.

According to information reaching the Bureau, the syndicate involved has already circularized a number of Canadians in the opening phase of its campaign. The initial approach consists of offering an "outright gift" in return for performance of a "small service." The alleged "gift" consists of "a beneficiary interest in a common law trust" covering rights in "potentially valuable" oil lands on the west coast of the United States.

The service asked is provision to the syndicate of the names of 10 or more relatives, friends and acquaintances of the person circularized, who might be interested in participating in oil land development. The inference is that those whose names are thus furnished will subsequently be subjected to high pressure sales tactics to induce them to buy oil stocks, and will be told that their names have been referred to the syndicate by "your friend Mr. So and So."

S. E. C. Investigates

The solicitation is under investigation by the U. S. Securities and Exchange Commission, which already has learned enough to lead it to brand the methods of the syndicate as "unwholesome." The S. E. C. is understood to regard the enterprise generally with disfavor, and to be doubtful of the validity of the project.

Officials of the Better Business Bureau point out that there is no evidence to indicate that any value attaches to the "beneficiary interest" in the common law trust offered those who provide names for the projected sucker list. Moreover, those who provide names to the syndicate run the risk of having their names used as a reference to induce their friends to buy possibly worthless stock.

COTTON FABRICS AND YARNS

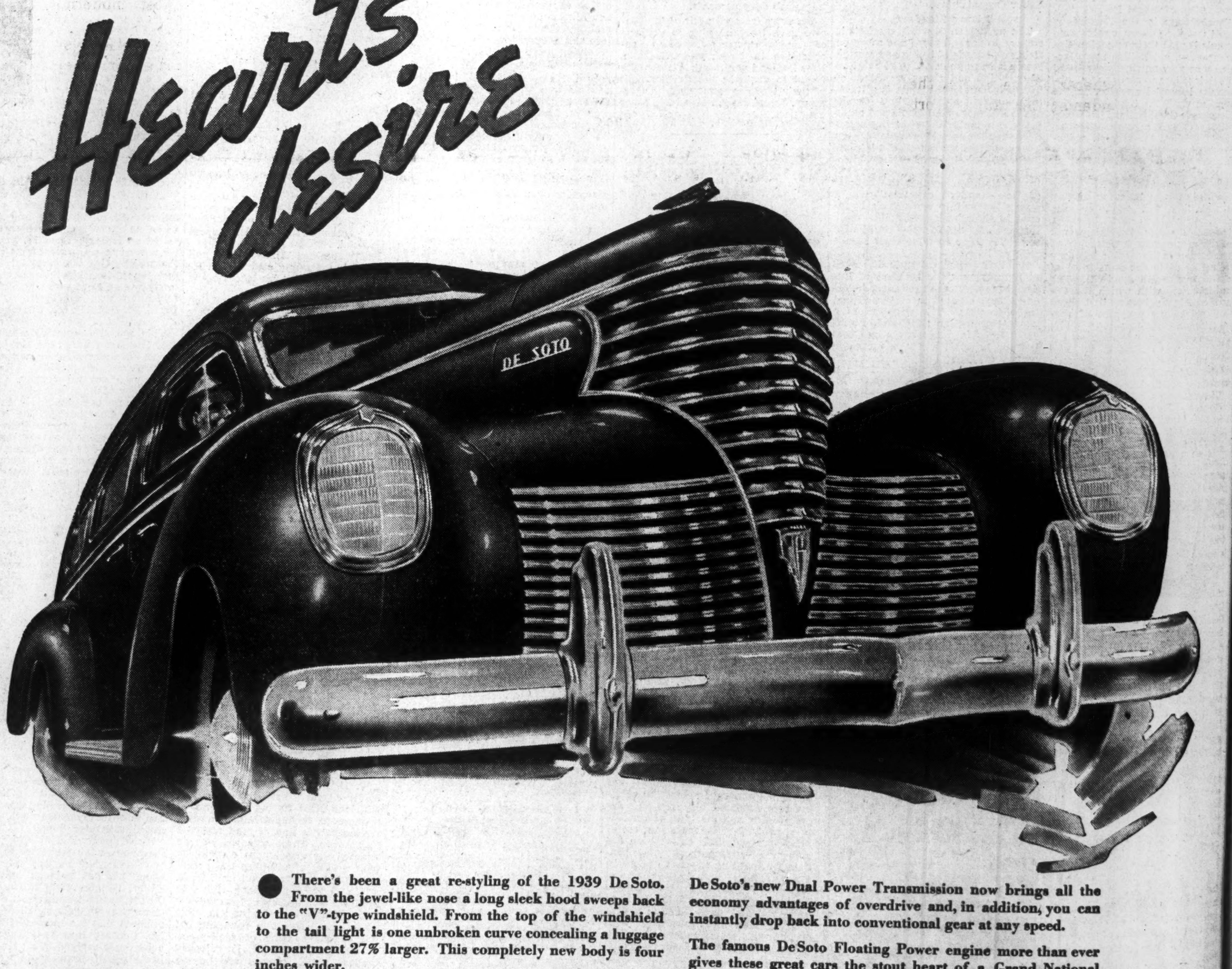
TEXTILE DOMINION CO. LTD.

COLONIAL Sheets and Pillow Slips

MAGOG Fastest Fabrics

DOMINION TEXTILE
COMPANY, LIMITED
THE TEXTILE BUILDING, VICTORIA SQUARE, MONTREAL

"Like the British Navy—Cool under Fire"
"EXPORT"
You Can't Buy a Better Cigarette
MACDONALD'S Gold Standard
EXPORT
Moistureproof paper
10 for 10¢ — 25 for 25¢



There's been a great re-styling of the 1939 De Soto. From the jewel-like nose a long sleek hood sweeps back to the "V"-type windshield. From the top of the windshield to the tail light is one unbroken curve concealing a luggage compartment 27% larger. This completely new body is four inches wider.

The new Handy-Control gearshift lever is on the steering column and the front compartment floor is free of all obstructions.

The new De Soto "Safety Signal" Speedometer is the guardian of your speed — especially at night. Up to 30 miles an hour it signals with a green light . . . from 30 to 50 a yellow light and over 50 a red light glows.

De Soto's new Dual Power Transmission now brings all the economy advantages of overdrive and, in addition, you can instantly drop back into conventional gear at any speed.

The famous De Soto Floating Power engine more than ever gives these great cars the stout heart of a Grand National Winner.

Your Dodge-De Soto dealer will welcome the opportunity of having you drive one of these new 1939 De Sotos . . . and will explain how one can be purchased on easy budget terms.

1939 De Soto Business Coupe
Delivered in Windsor, Ont.
$1152
License, freight and any local taxes only extra

New 1939 De Soto

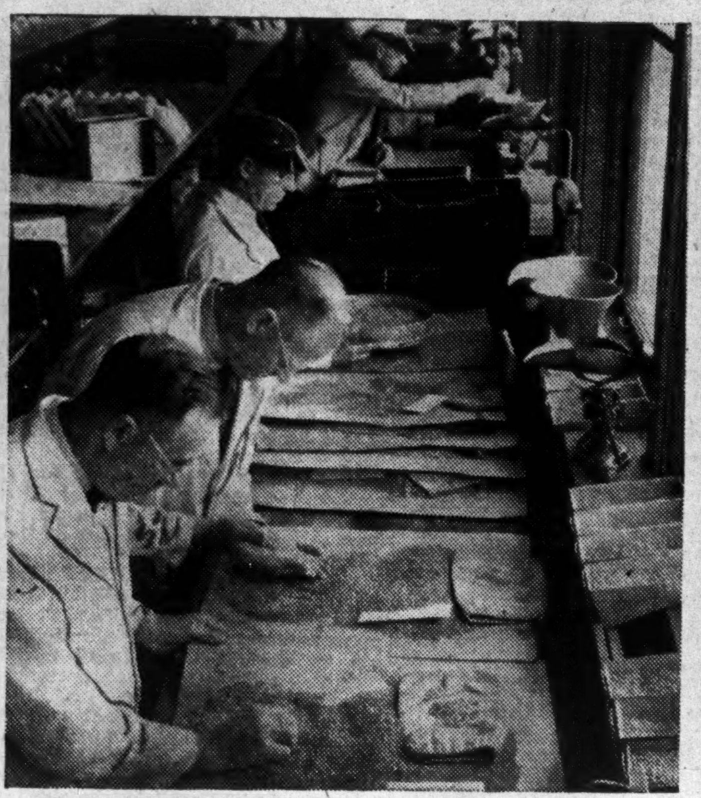
THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

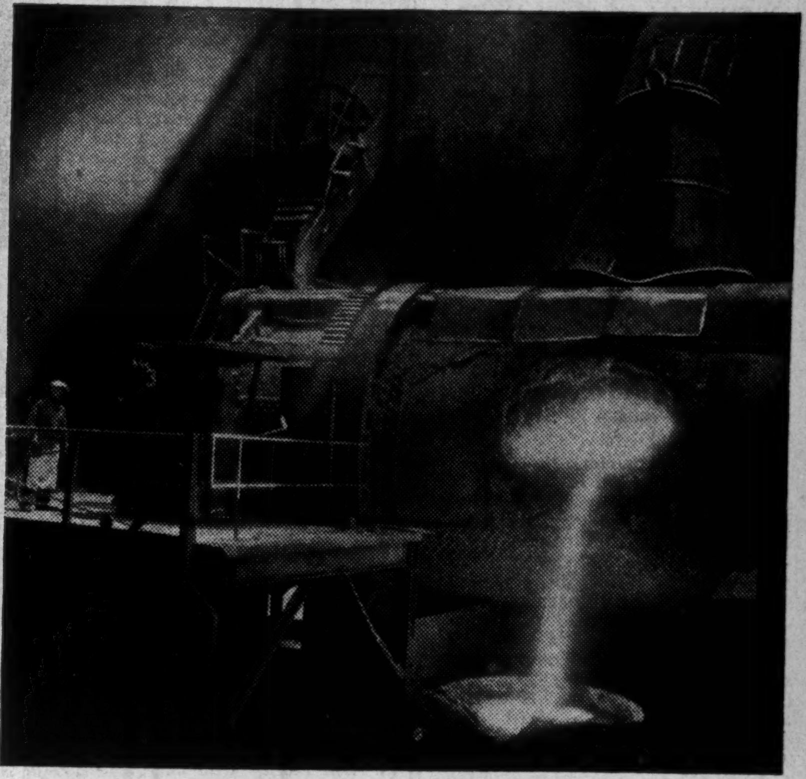
Vol. XXXII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, NOVEMBER 12, 1938 | 10c a Copy; $5.00 a Year | No. 46

Let the King and Queen See Canada at Work

Touring Canada the royal party should see Alberta's oil fields, now assuming Empire significance . . .


The cereal laboratories of the West where the reputation of the finest wheat is guarded . . .

The steel mills and heavy industry geared to play an increasingly important role . . .


The great mines at Sudbury, from which emerges the world's supply of nickel . . .

From all parts of the Dominion has come support for the suggestion that the picture of Canada at work should be emphasized in the itinerary of the King and Queen during their visit next year.

For the royal tour will make Canada the front page news story of 1939 and it depends on the King's Canadian advisers whether that story will be one of the world's modern workshops or a historical romance of the beaver, the bear and the wide open spaces.

In the train of the first regal tour of Canada will come the cameras of the world; the most famous correspondents; the radio reporters of the networks.

The world will see the Dominion just as the King and Queen see it and a great educational opportunity will be lost if other countries view Canada as a quarry of corner-stones.

Canadians at work have achievements to show that have drawn scientists from all parts of the world. The largest newsprint mills to be found anywhere; the great power developments that have been engineering achievements; the rich mines of the north; the factories which supply a growing share of the export trade should not be neglected to crowd in more official welcomes.

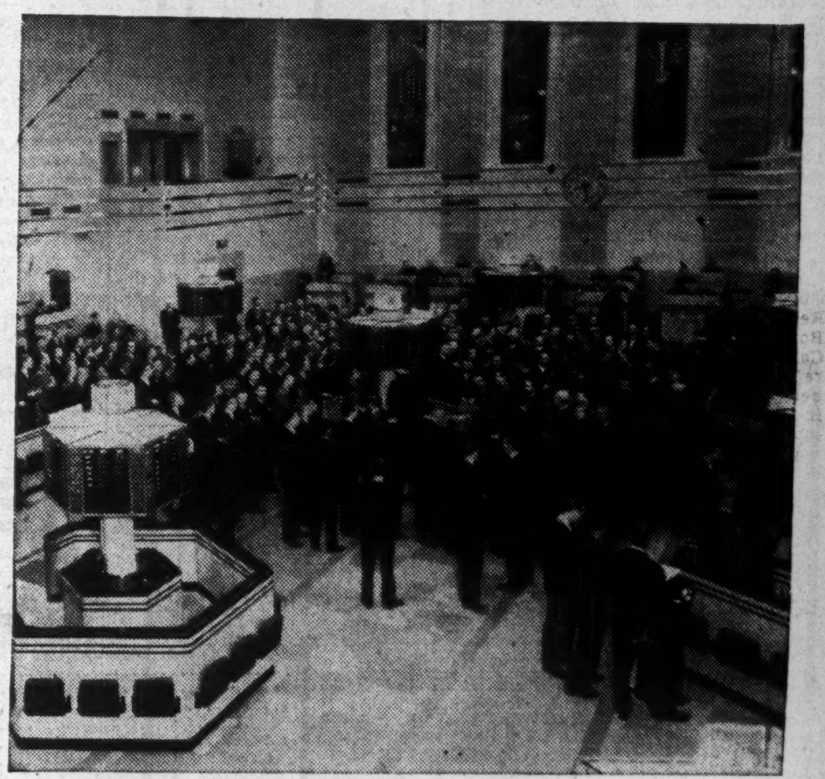
The Royal party could visit the refinery which has provided all the radium purchased by the King George V Cancer Fund, and they could tour the great nickel properties which have become vital to modern industry. They could see the world's largest asbestos mines.

To provide some conception of Canada's power possibilities, and the role power plays in great new chemical developments, they could visit the valley of the St. Maurice.

In the West they should see not only the great plains of wheat but the laboratories where that wheat is tested and graded with the utmost care to retain for the Dominion the proud reputation of producing the finest wheat known.

And for as complete a contrast as could be desired to the Canada of fiction, of the blanket, and the Mountie they might see Toronto's new stock exchange building, the most modern financial market in the world.

There are no precedents to guide the King's Canadian advisers in arranging such a tour. The lack of precedent is both a difficulty and an opportunity. There exists the opportunity of making the progress across Canada vivid and vital to the King and Queen and to the millions of people in all countries who will be following them.


They could visit the world's most modern exchange . . .

Does Canada Want Czech Refugees?

Mass Migration Presents Great Difficulties

—Ottawa Sympathetic But Silent on Policy

Redrawing of Czechoslovakia's frontiers has left a lot of discontented people in Central Europe. Many of them, perhaps 100,000, would gladly migrate to this country.

Does Canada want them?

Could we absorb them?

Thousands of German-speaking citizens still remain within the confines of lesser Czechoslovakia. More thousands of Czechs now find themselves living in greater Germany. In neither case, under present conditions, are these minorities particularly welcome to remain where they are and unless they can be absorbed as full citizens of the respective countries concerned, they will continue to be a source of embarrassment and friction to both Prague and Berlin.

Under normal conditions, the solution of the problem would not be impossible. Czechs in the Sudeten areas ceded to Germany would simply change jobs or farms with Germans in Czechoslovakia. A transfer of large blocks of population, of course, would be a big job, requiring much money and a great deal of tact. There would be a certain amount of hardships, a good deal of disturbance. But it has been done before, and successfully. Greece and Turkey worked out a gigantic transfer scheme after their war in 1923.

The present situation, however, is not normal. Numbers of the two nationalities are not the same, nor are their occupations. Many more Czechs than Germans are concerned and the former, before partition, usually had jobs or farms while many of the Germans had not.

Emigration Only Solution

Moreover, there are many Germans in Czechoslovakia who do not want to live in the Reich and the Reich does not want them. At least two of the major powers responsible for the Munich settlement came to the conclusion that large-scale emigration from this overpopulated triangle of Central Europe was the only solution, but to what country has not yet been decided. Among others Canada has been mentioned.

Before we decide to throw open our doors, naturally we are entitled to know something about these prospective new Canadians.

Broadly speaking, refugees and would-be refugees from the Sudeten areas would come from three distinct groups.

1. Political exiles from Germany, Italy, Austria and more recently from those former sections of Czechoslovakia that are now occupied by Germany. These would probably number between 20,000 and 30,000.
2. Anti-Hitler Germans and German Jews in Sudeten areas, numbering possibly 100,000, mostly artisans or traders.
3. Permanently established Czechs left in the Sudeten areas, 500,000 to 600,000, mainly farmers, and artisans.

For simplification, we are referring to Czech-speaking people as Czechs and German-speaking as Germans, irrespective of ancestry, which the Czechs claim is practically identical.

Political Exiles

Although much the smallest, class No. 1, the political exiles, probably constitute the most pressing and dangerous problem. These are people literally without a country, men and women who barely escaped concentration camps, and who probably at night fled over some remote part of the frontier. Many of them are wanted by the German and Italian political police. Some of them have a price on their heads.

At first the majority of them found asylum in Austria and when that country was absorbed they fled to Czechoslovakia.

Now they are on the move again. Because few of them have passports, their exact number or whereabouts is not definitely known. If Czechoslovakia continues to harbor them, good relations with her dominant neighbor are impossible.

Persons in this group are mostly highly educated. Many of them are professional people, doctors, lawyers and teachers. All are interested in politics. Practically all are penniless. Already opposition is crystallizing among the overcrowded professional class in Canada toward admitting this type. Great Britain has arranged to receive a few hundred.

Some thousands in class 2, the anti-Hitler Germans and Jews, will also be in a hurry to get out of the country. A portion of the Germans actively opposed the Henlein movement and their opposition will be remembered. Many of these have already left the Sudeten area and are now refugees in Czechoslovakia.

Not Many Jews Involved

The Jews, of course, are all nervous, anxious to sell out, but do not know where they can go. Some have sufficient money for migration and re-establishment. Total Jewish population involved, The Financial Post is informed, is not large and is made up largely of traders, professional people and artists.

Of the Germans in class 2 undoubtedly a great many, possibly 50,000, would wish to migrate. Being mostly social democrats, or more radical, they can hardly be happy under a Nazi regime. Some are certain to be persecuted, their jobs and lands, if they had either, will probably go to Henlein followers.

It would be difficult, however, to get many of them into Canada under present immigration regulations. These people are largely townsmen, skilled craftsmen in the porcelain, glass, toy, paper, textile, leather and steel industries in the Sudetenland. They are primarily artisans with little or no capital and are used to more social security laws and paternalism than they would find here. It is doubtful if they could easily adapt themselves to an agricultural life. Like the Czechs, they are largely Catholic in religion.

Plenty of Artisans

If we really want skilled artisans, capable of establishing new industries in Canada, here and among the Czech artisans is an abundant supply. Whether Germany would let them go is another question. Due to the growing labor shortage in the Reich, all these people, despite their political opinions, may be forcibly retained.

Czechoslovakia doesn't want the German-speaking people for the same reasons as apply to political exiles and also because it couldn't absorb them economically under present conditions. It is estimated that the recent territory ceded to Germany included 40% of Czechoslovakian industries and a considerable proportion of raw materials. Today the little republic remains primarily an agricultural country with every farm occupied.

From the standpoint of agricultural emigration, Canada is mostly interested in class 3 of the Czechoslovakian refugees. These will be drawn from among the half million or so Czechs who now find themselves living under Hitler. For the most part, these people consist of sturdy, fairly well educated peasant farmers and also a proportion, probably 35%, are Czech artisans.

The younger population, perhaps 150,000, are especially desirous of getting out of Europe, of making a fresh start elsewhere. The older people will probably do what older people have always done, stick with the land of their birth and try and reconcile themselves to the new regime. Though the new Prague Government would like to absorb these Czechs, it is extremely doubtful if many can be accommodated. They are largely farmers, and, as previously pointed out, every existing farm in their own country is fully occupied.

Civil Servants

Moreover, there are perhaps 50,000 or more Czechs from the Sudeten areas who have a prior claim upon Prague. These are former customs officials, police, postmen, state railway employees, laborers and engineers who were working on the $400 millions frontier fortifications facing Germany. The first duty of the Prague Government is to find them a place. Probably a portion of the British £10 millions loan will be used for the purpose.

The problem of looking after the permanently settled Czechs in the Sudeten areas remains. The farmers in this group are in a peculiar position, and are not sure that Germany is going to allow them to stay. Many of them went into the Sudeten areas after the war and took up land which the Government had purchased from the former Bohemian aristocracy. They settled down on 15-acre farms, for which they were to pay the Government in installments spread over many years. Full payment has not been completed and the titles, strictly speaking, may still be in the name of the Czechoslovak Government. As the German Government took possession of state railways, roads and other government property, any government farm land would be included. Dispossession of a large number of Czech peasants may follow, with the farms going to landless followers of Henlein.

Looking to Canada

If such a move follows, then many Czechs may have to get out. It is not likely that Hitler would want to absorb them, as on more than one occasion he has stated that he only wants Germans in the Reich. If Czechs want to leave the Sudeten areas, Hitler may not want to help them, but he probably will not hinder them. These younger Czech farmers and artisans are probably looking to Canada, Australia, and South Africa.

The farmers are said to be of an excellent type, used to a climate, soil and agricultural conditions similar to those found in many parts of Ontario. At home they go in for mixed farming, based largely on dairying. They have a reputation for being shrewd, close-fisted and hardworking. Farm women are accustomed to working in the fields.

Their material standard of living would not be as high as is found in Ontario but from an educational, moral and social standpoint they are said to compare fairly favorably with the average rural population in Canada. They have no knowledge of large-scale farming operations.

Undoubtedly these Czechs would find many things different in eastern Canada and vastly different if they went to the Prairie Provinces. At home they live in villages, they are accustomed to expect a great deal in the way of direction and encouragement from their government. In Czechslovakia their produce was marketed profitably through government-fostered and tax-free co-operatives. Living close to a large domestic market—before the partition Czechoslovakia was nearly 70% industrial—they got a much larger share of the consumer's dollar than would be possible in Canada, where distribution costs are a big factor.

Cash returns from the small Czechoslovak farm are said to have been bigger than from a 100-acre holding in Ontario. Farm prices have been held at an artificially high level in Czechoslovakia; wheat, for instance, selling about three times the Canadian figures and the other items in proportion.

If Czechoslovak farmers are to be brought to Canada, it is suggested that they receive some special supervision by trained agriculturists for a few years. Naturally, they would prefer to settle in large blocks, but they would soon learn the English language, and it is said, would become good citizens.

The cost of such immigration would be heavy. The migrants, Czech or German, would have little money of their own. Most of them have not been established long enough since the Great War to have accumulated liquid capital. Large scale selling of lands and other possessions may prove impractical if not impossible. Transportation would cost up to $150 for adults and $500 to $600 per family. For the farmers at least there would have to be a further expenditure of from $1,000 to $2,000 per family for food, shelter, implements, livestock, seed, etc., even if free land and limited tax exemption were granted.

The question of location would also be important. No longer are there vast stretches of virgin land awaiting the plough in western Canada. Tractors, combines and wide tillage machinery permit the present sparse population to handle every cleared acre. Any new rush of agricultural settlers will have to try their luck farther north, within the tree belt of the three Prairie Provinces, in the interior British Columbia Valley, or in the unopened forest hinterland of eastern Canada.

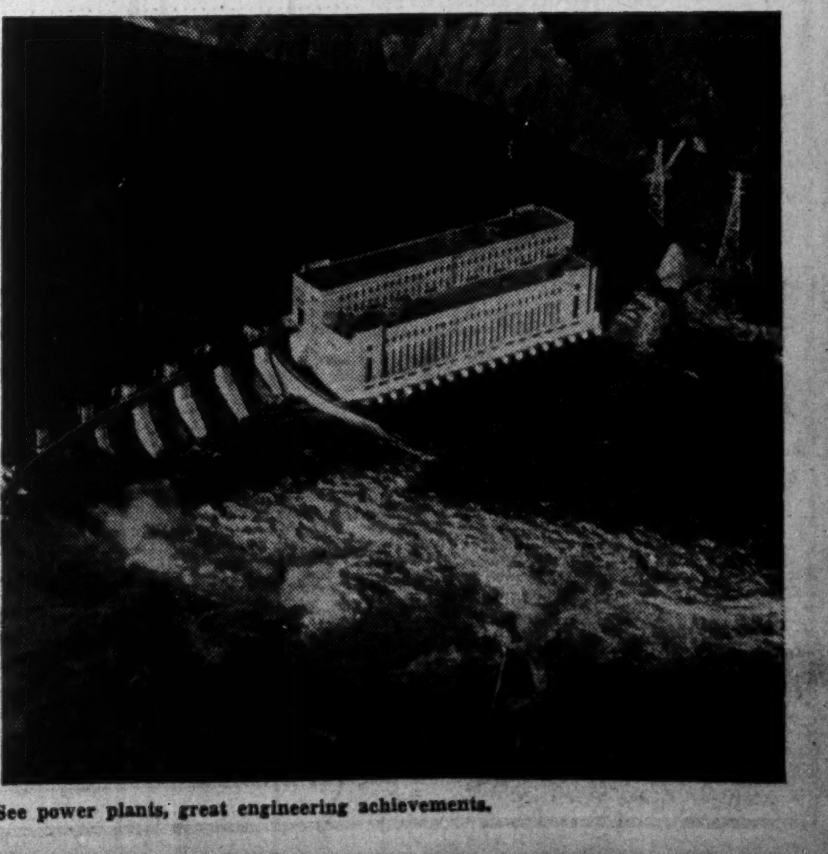
Ottawa Sympathetic

OTTAWA.—The Government is sympathetic to any reasonable scheme for the immigration of Czechoslovakian refugees who want to make their home in the Dominion.

The attitude of the Cabinet, and particularly of Hon. T. A. Crerar, under whom the department of immigration functions, is a reflection of the general opinion that these refugees are martyrs to the cause of world peace. Aside from economic advantages which might result from a well-planned project for Czech immigration it is felt that Canada, like other nations, has a debt to pay for the

(Continued on page 20)

Follow the stages of gold from ore to bricks . . .


See power plants, great engineering achievements.

Personnel Training — No. 4

Intramural Education

Industrial Staffs Given Opportunities To Increase Skill, Broaden Horizons

This is the fourth article of a series on the contribution of personnel training to Canadian business and industrial progress.

By GUY S. CUNLIFFE
Staff Writer, The Financial Post

Joe Doakes thought he was a pretty good salesman. His reports consistently showed higher volume than anyone else in his district. He was rather surprised when the company called him into head office to take its special course for salesmen.

The course did not tell him much about how to sell. But it taught him a good deal about the history, aims and policies of the company. He learned of important new developments in regard to products of the firm. The school widened his perspective and thus was an educational force.

The value of a broadly conceived educational programme is being realized more and more by employers, particularly in regard to salesmen, office workers, subexecutives, etc.

Canada Packers Plan

Special instruction of salesmen is emphasized, for example, in the elaborate training programme of Canada Packers Limited. In addition to its general educational director, J. S. Willis, the company employs a salesman instructor who conducts a school for salesmen during the winter months. The courses last a full week, the schedule being so arranged that every salesman is able to attend the refresher course at least once in two years. The courses give comprehensive reviews of the company's products, methods, and policies, and attempt to give the salesman a broad perspective of the company's operations as well as a working knowledge of what it is producing.

As with many other firms, Canada Packers lays emphasis in its general programme on the education and training of foremen, supervisors and subexecutives. Industrial and business employers have come to realize that upon such employees, the non-commissioned officers of the staff, so to speak, largely depends the success of any attempt to educate the rank and file.

Programme Outlined

In his outline of the Canada Packers programme for The Financial Post, Mr. Willis says:

"We look upon education as the prime function of management. Every manager of every section of the business is held directly responsible for the instruction of his own people. In all education work set up in this company, we have endeavored to avoid in any way supplanting the manager or foreman as the educator."

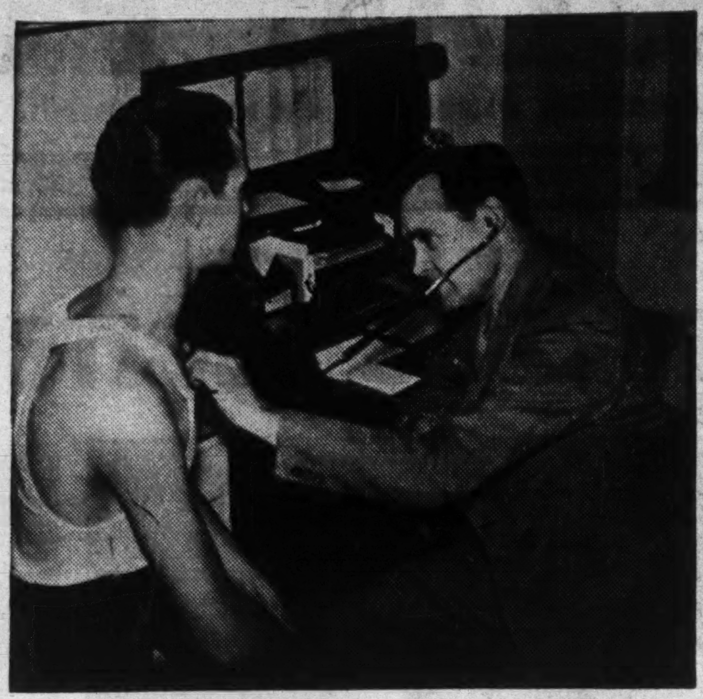
Among the various activities by which Canada Packers supplements the basic work of its managers and foremen are both junior and senior study groups, the former engaging in debates or listening to lectures by outstanding authorities on general topics with some bearing on the business. There are three senior groups, consisting of 50 men, engaged in study of specific problems of the business, its products and processes.

Members of the staff are encouraged to enroll in night classes offered by high schools, technical schools, commercial schools, university extension courses, and Workers Educational Association, and the correspondence courses of Institute of Meat Packing at Chicago. The cost of courses given through the Institute is refunded upon their completion.

Massey-Harris Courses

Courses to extend the knowledge of factory operations of dealers, salesmen and field service men are also conducted by the Massey-Harris Co., and last 32 weeks each. This type of course and the previously mentioned apprentice training plan are only part of Massey-Harris programme for training and developing employees. Other schedules include:

1. Course of 52 weeks' duration designed for non-technical men with sales ability who may ultimately find their field in the sales end of the business.
2. Course of 80 weeks' duration for technically trained men of university standing, who may ultimately be absorbed in those departments requiring the services of trained engineers.
3. Course of two years' duration designed to develop promising youths of technical school standing who may ultimately be gainfully employed as senior key factory men such as shop foremen or inspectors.



—Courtesy, Hudson's Bay Co.

Physical fitness of new employees is important as well as skill, intelligence and training.

The last mentioned course is particularly comprehensive and designed to give participants a thorough grounding in all phases of the company's operations. It includes more than a year's work on machines in various plants, eight weeks on assembly lines, and a month or more studying factory office routine. Lectures are given by executives on the company's general organization, manufacturing problems, buying methods, accounting, advertising, sales and production control systems.

General Proficiency Plan

One of the most successful types of industrial training is that designed to develop general proficiency in all divisions of a company's operation, with a view to promotion of workers to sub-executive posts or to special work requiring thorough knowledge of production. An outstanding course of this nature is given through the training department of the Goodyear Tire & Rubber Co. An outline of the course compiled for The Financial Post says:

"The men work on all the major operations performed in the manufacturing of tires and tubes. They must not only learn to do the work correctly but also develop sufficient skill so that they can produce a quantity equal to an average worker's efficiency in any department.

"In addition to the factory work, there is a school type of training covering subjects with application to general operation of the business. Some of the subjects covered are: organization and management, foremanship, business letter and report writing, economics. The class work is given at the plant, but the men are required to do study work in this connection at home.

"The men are given a guaranteed rate of pay during this training period, which rate increases as the service of the men increases. This rate of pay however, at any given time is established between a certain minimum and maximum, and the actual rate is based on a merit system which determines proficiency of employees."

"Vestibule System"

Some companies do not depend on diffusion of training through subexecutives, but put emphasis on selection and initial instruction of new employees. A particularly lucid outline of both the methods and purposes of this type of personnel training is supplied by Walter D. Fuller, president of the Curtis Publishing Co., Philadelphia, In a bulletin of the policyholders service bureau of the Metropolitan Life Insurance Co., Mr. Fuller says in part:

"Many applicants for positions who call at our employment office do not have a clear idea of what they wish to do. So we try to determine through tests, knowledge of work habits, and evidence of ability to absorb and retain instruction, whether an applicant has those qualifications needed for successful performance from his own viewpoint and from that of our company."

Power Stations Output Higher

September Trend Upward — Still Under Returns for 1937

From Our Own Correspondent

MONTREAL. — Central electric stations in Canada report an output in September of 2,163,645 kw.h. This represents a healthy increase over the previous month when production totalled 2,071,901,000 kw.h. but was under the 2,204,291,000 kw.h. reported for September last year.

Returns by the five economic areas show that Quebec was the only section to report an increase in output of electrical energy. The decline from the other sections was relatively small, as indicated in the following table:

September
(Thousands of kilowatt hours)

	1938	1937
Maritimes	73,933	75,555
Quebec	1,135,665	1,107,696
Ontario	628,387	690,548
Prairies	162,182	165,300
B. C.	163,478	165,192
Total	2,163,645	2,204,291

Consumption Maintained

Consumption of firm power last month amounted to 1,530,546,000 kw.h., as against 1,573,502,000 kw.h. in September last year, according to the Dominion Bureau of Statistics.

On the basis of production, plus provincial imports, less provincial exports, consumption of electrical energy during September, compared with the same month last year, was distributed as follows in the five economic areas:

September
(Thousands of kilowatt hours)

	1938	1937
Maritimes	72,493	74,374
Quebec	894,098	909,297
Ontario	719,821	746,791
Prairies	163,479	166,686
B. C.	162,063	163,701
Total	2,011,954	2,060,849

Exports Move Up

Exports to the United States increased from 149,493,000 kw.h. in August, and 143,441,000 kw.h. a year ago to 151,691,000 kw.h. in September.

For the first nine months of this year, exports of energy totalled 1,334,471,000 kw.h. This contrasts with 1,399,722,000 kw.h. for the like period in 1937.

Boiler Load Holding

Deliveries of secondary power to electric boilers totalled 181,407,000 kw.h., in September, but were 1.2% below last year's total.

For the nine months deliveries to electric boilers totalled 4,099,598,000 kw.h. This compares with 5,440,494,000 kw.h. for the first nine months of 1937.

A Voice from the Maritimes

Maritime Compromise

New Brunswick's Proposal Shows Eager Desire for Co-operation

BY HERBERT L. STEWART

H. L. STEWART

Not yet, I think, has sufficient attention been given to that aspect of the New Brunswick Government brief which may be called the proposal of a compromise in the federal - provincial dispute. No doubt the Rowell Commissioners have been attending to it. But this is a matter of the utmost importance for general appreciation. It is a merit in the proceedings of the Rowell Commissioners that the public has been kept so fully apprised of the progress of their work: and where agreement—in spirit, if not in every detail—is essential to success, we cannot be too careful to give each party credit for its efforts to smooth them away. That is my reason for emphasizing in this letter a side of the New Brunswick brief which at least shows an eagerly co-operative desire.

A dispute there still plainly is. The federal parliament has attempted to enact certain measures which it regards as imperative reform, and it has encountered the veto of the courts. So the conclusion appears simple: either alter the British North America Act, or abandon the proposed federal measures of reform. At Ottawa they will not accept the latter of these alternatives; at certain provincial capitals, notably Fredericton, they decline the former. It is at this point that, from Fredericton, the voice of compromise has been heard.

Conditional Subsidy

These alternatives, according to the New Brunswick brief, do not exhaust the possibilities of solution. Why not meet the needs of this case by extending the practice of conditional subsidy? It is simply not true that an enterprise must be either federally or provincially managed: it is possible, and it has sometimes been found very advantageous, to divide management. The Dominion may supply funds, but funds earmarked for a certain purpose, and with such administrative machinery set up for applying them as will prevent their diversion to any other purpose, while at the same time turning to good account the intimacy of provincial officers with local conditions.

A case in point, which the New Brunswick brief quotes, is the present system of providing and distributing old age pensions. If such a method were applied to those other projects which the Federal Government believes (and the New Brunswick Government does not deny) to be imperative, see what a mountain of difficulty would be rolled away! No interference with the British North America Act would be required, and no encroachment upon provincial rights.

Mixed Management

It is a persuasive argument which the New Brunswick brief here advances, pointing out that not only are many social reforms just as efficient under the mixed management it recommends as under the centralized control it deprecates, but that there is every reason to suppose the mixed management is better.

Will anyone who knows anything about the record of Dominion financing be impressed by the plea that this may be relied upon to be less reckless and improvident, less susceptible to influences which should not be allowed to operate, than financing in the provinces? It is the urgent need for such service as the framers of the British North America Act never thought of expecting Government to supply that has made the constant deficits in provincial administration.

What is the inference? The New Brunswick brief draws it boldly. It points out that the provincial deficits, so caused, do not reveal by any means the same difficulty or the same hardship in one province as in another A mechanical, per capita, method of calculating "fiscal need" would be, no doubt, the easiest to apply at Ottawa; but it would not be the most effective for Canadian welfare and unity—which should count for more than ease at Ottawa. Really fair adjustment, as well as efficient management, depends on so many considerations, local and historical, that remote centralized control can never take into account.

Plea for Elastic System

I have set forth this plea from New Brunswick for an elastic and co-operative, rather than a centralized and rigid, scheme of social reform, with an endeavor to reproduce the pointed clarity of the brief. It is couched in the very spirit we need to extend and promote.

But what I cannot see is this: How could the mixed management which the New Brunswick brief recommends meet such need as that for a Marketing Board, or that for regulation of hours and conditions of labor? In some other fields, not beyond our power to specify, uniformity is essential. I have mentioned two of them. That the sort of scheme suggested as a substitute for Dominion control would preserve uniformity there, I cannot believe. If the Federal Government asks for such amended power as will enable it to act in such matters, should not this be granted, even at the expense of amending the British North America Act? The New Brunswick brief indicates that perhaps for some cases constitutional change may be found "absolutely necessary." What I suggest is that here are such cases, not merely possible but actual.

THE BUSINESS WORLD GIVES ... UNIVERSAL APPROVAL ... TO Silent L C SMITH Super-speed with "Silence without Sacrifice"

Fifteen new features—Speedy Durable—Dependable

Branches and dealers throughout Canada

L C SMITH & CORONA TYPEWRITERS of Canada Ltd., 37 Front St. E., Toronto.

Waterloo, Ont.—With the 1938 tax rate of Waterloo at 39 mills, a drop of three mills from 1937, municipal authorities are driving toward a 30-mill rate. Retirement of debentures outstanding, including schools, sewage disposal, etc., is the chief reason for hoping for a reduction.

THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA

BALANCE-SHEET AS AT 31st MARCH, 1938

ASSETS

INVESTMENT FOR REDEMPTION OF BRITISH COLUMBIA STOCK AND DEBENTURES (SCHEDULE "A")			$ 33,591,706.07
BUILDINGS AND FURNISHINGS		$18,001,491.25	
HIGHWAYS		69,385,623.94	
BRIDGES (LESS DEPRECIATION)		10,340,406.60	
WHARVES (LESS DEPRECIATION)		102,141.00	
FERRIES AND FERRY LANDINGS (LESS DEPRECIATION)		236,004.66	
			98,065,667.45
PROJECTS, LOANS, AND ADVANCES:			
Dyking Districts:			
"Dyking Assessments Adjustment Act, 1905" (less Sinking Funds)	$ 605,699.91		
"Dewdney Dyking District Relief Act, 1929" (less Sinking Funds)	73,726.72		
		$ 679,426.63	
Pacific Great Eastern Railway Company:			
Advances	$60,369,839.39		
Deferred Charge re Guaranteed Stock and Bonds now set up as a direct liability	20,160,000.00		
		80,529,839.39	
Properties acquired under "Soldiers' Land Act, 1918":			
South Vancouver	$ 16,147.15		
Southern Okanagan	2,935,349.06		
		2,951,496.21	
Former Indian Reservations acquired:			
Kitsilano Reserve, Vancouver	$ 300,000.00		
Songhees Reserve, Victoria	773,690.08		
		1,073,690.08	
Agricultural Associations		28,208.76	
"Better Housing Act, 1919"		696,596.09	
"City of Port Coquitlam Aid Act, 1925"		9,405.00	
Conservation Fund		1,550,322.01	
Crown Property Development Account		20,000.00	
Departments		119,833.31	
Equipment Fund		2,170,000.00	
Industrial Development Fund		270,000.00	
King's Printer Operating Account		168,318.06	
Land Settlement Board		5,134,768.83	
Liquor Control Board		387,846.81	
Text-book Branch Operating Account		90,997.97	
University Endowment Lands Administration Account		2,184,937.34	
Forest Protection Fund		62,592.78	
Advances to Municipalities (Unemployment Relief):			
Municipal Works—Municipal Share	$ 519,302.12		
Municipal Direct Relief—Municipal Share	1,062,064.35		
		1,581,366.47	
			99,709,639.74
CASH:			
In Treasury		$ 4,538.89	
" Bank—General Account		3,948,336.68	
" Bank—Capital Account		1,139,301.35	
" Bank—Civil Service Superannuation Fund Account		2,880,805.79	
" Bank—Municipal Superannuation Fund Account		895,486.25	
" Bank—Teachers' Pensions Fund Account		834,004.80	
" Bank—Unemployment Relief Fund, "B" Account		1,290,207.77	
" Bank—Unemployment Relief Fund, "C" Account		937,040.11	
			11,929,721.64
INVESTMENTS (AT COST):			
Superannuation Funds		$ 5,712,554.70	
Teachers' Pensions Fund		782,671.91	
			6,495,226.61
ACCOUNTS RECEIVABLE:			
Assessed Taxes (less Reserve)		$ 4,574,106.77	
Grazing Fees (less Reserve)		28,925.33	
Probate and Succession Duties (less Reserve)		208,207.99	
Timber Royalty and Stumpage (less Reserve)		606,942.22	
Land Sales—Principal Outstanding (less Reserve)		538,263.51	
Provincial Municipalities		15,489.55	
Sundry Debtors		75,110.87	
Dominion Government (Unemployment Relief)		225,222.42	
			6,272,268.66
ADVANCES TO UNEMPLOYMENT RELIEF FUND			3,504,955.12
TRUST ACCOUNTS (CONTRA):			
Cash in Banks and Investments at Cost			2,441,326.90
			$262,010,512.19

I certify that the foregoing Balance-sheet is in agreement with the books of the Government of the Province of British Columbia as at 31st March, 1938.

Investment for Redemption of B.C. Stock and Debentures.—Deposits for the fiscal year to the credit of the Minister of Finance as Trustee for the Sinking Funds were in arrears at 31st March, 1938, to the extent of $2,484,746.75. The aggregate arrears to 31st March, 1938, amount to the sum of $13,254,390.75.

Highways.—This account represents replacement value of Highways as at 31st March, 1926 in accordance with a schedule of mileage and classification certified by the Public Works Engineer, to which has been added, in subsequent years, the capital expenditure out of Loans.

Pacific Great Eastern Railway Co.—This asset is carried at book value, as the ultimate realizable value cannot be determined at this date. In accordance with the terms of the "Pacific Great Eastern Construction Loan Act, 1928," the operating deficit of the Railway has been met by advances charged to the said Loan.

"Dyking Assessments Adjustment Act, 1905," and "Dewdney Dyking District Relief Act, 1929."—The amounts due from the districts are included at book value. The ultimate realizable value cannot be determined at this date.

Equipment Fund.—The deficiency in the Fund at 31st March, 1938, was $1,725,290.14, largely due to the employment, during the past six fiscal years of Equipment Fund units on maintenance-work free of rental charges.

Land Settlement Board (except Sumas Development).—These advances are included at book value, as the realizable value of unsold lands and balances due to the Board cannot, at the present time, be determined.

University Endowment Lands Administration Account.—The amount which may be recovered out of these advances cannot be determined at this date.

Investments—Superannuation and Teachers' Pensions Funds.—These securities are now treated as the property of the Crown pursuant to legal opinion of the Attorney-General dated 4th March, 1935.

Surplus Account.—The sum of $2,120,388.00 appropriated under the authority of the "Unemployment Relief Acts, 1933 and 1936," and transferred to Unemployment Relief Fund pursuant to section 2 of the "Unemployment Relief Fund Act, 1934," has been written off.

Victoria, B.C.
30th September, 1938.

J. A. CRAIG, C.A.
Comptroller-General.

LIABILITIES

BRITISH COLUMBIA STOCK AND DEBENTURES (SCHEDULE "B")		$125,126,236.00	
MORTGAGE ON BRITISH COLUMBIA BUILDING, LONDON:			
Maturing in Quarterly Instalments to 24th June, 1945		70,325.00	
TEMPORARY LOANS:			
Treasury Bills:			
Canadian Bank of Commerce	$ 6,175,906.48		
Dominion Government	33,271,716.49		
Other Treasury Bills	75,000.00		
		39,522,622.97	
			$164,719,183.97
PACIFIC GREAT EASTERN RAILWAY GUARANTEED STOCK AND BONDS:			
Due 15th July, 1942			20,160,000.00
			$184,879,183.97
ACCOUNTS PAYABLE:			
Appropriation Accounts		$ 5,594,009.19	
Other Accounts		125,514.71	
Interest accrued on Public Debt		1,821,973.91	
French's Complex Ore Reduction Co., Ltd., Debenture		40,000.00	
			7,581,497.81
MONEY DEPOSITS:			
Intestate Estate Deposits		$ 691,309.94	
Suitors' Funds Deposits		187,932.68	
Surplus Moneys from Tax Sale Deposits		1,885.02	
Official Guardian Deposits		37,181.73	
Rural District School Tax Deposits		7,030.08	
Contractors' Deposits		7,835.00	
Trade-schools Regulation Act Deposits		1,000.00	
Trust Companies Act Deposits		580.00	
			934,754.45
SPECIAL FUNDS:			
Conservation Fund		$ 35,876.53	
Crown Property Development Account		14,306.51	
Equipment Fund		171,549.86	
Fire Marshal Act Fund		8,335.93	
Forest Reserve Account		105,103.98	
Industrial Development Fund		15,068.84	
Superannuation Fund:			
Civil Service		6,862,928.95	
Municipalities and School Boards		3,357,336.03	
Teachers' Pensions Fund		1,802,234.11	
Unemployment Relief Fund		696,618.98	
University Endowment Lands Administration Account		293,964.19	
Bequests and Other Special Funds		38,669.07	
Scaling Fund		5,577.59	
			13,407,570.57
DEFERRED CREDITS TO REVENUE:			
Interest and Discount on Sundry Loans to P.G.E. Rly. Co.			22,343,234.88
RESERVE FOR DEPRECIATION:			
Provincial Buildings and Furnishings			4,515,883.52
RESERVE FOR LOSSES AND CONTINGENCIES:			
Southern Okanagan Project		$ 2,850,000.00	
Land Settlement Board (re Sumas Development)		3,500,000.00	
Loans to Agricultural Associations		28,208.76	
Grants to Returned Soldiers under "Better Housing Act"		117,300.00	
Industrial Development Fund		125,000.00	
Houses, South Vancouver		8,000.00	
			6,628,508.76
TRUST ACCOUNTS (CONTRA):			
Sundry Accounts (Schedule "C")			2,441,326.90
SURPLUS			19,278,551.33
			$262,010,512.19

Note.—In addition to direct liabilities of the Province, the following securities as to both principal and interest have been guaranteed by the Province:—

Guarantees	Authorized	Issued
(1.) Canadian Northern Pacific Railway Co. (due 2nd April, 1950)	$47,975,000.00	$40,157,523.90
*(2.) Pacific Great Eastern Railway Co. (due 15th July, 1942)	*	*
(3.) Vancouver and Districts Joint Sewerage and Drainage Board (due 1938-1971)	7,333,333.33	7,233,333.33
(4.) Agricultural Credit Commission (due 1st May, 1941)	1,000,000.00	1,000,000.00
(5.) West Nicomen Dyking District (due 1st May, 1953)	90,000.00	87,000.00
	$56,398,333.33	$48,477,857.23
(6.) Guarantees authorized pursuant to sec. 6, "Department of Industries Act, 1919"		$ 48,435.96
(7.) Guarantee authorized pursuant to sec. 3, "B. C. Cancer Foundation Note Guarantee Act, 1936"		$ 104,968.82

(1.) Certain mortgages covering C.N.P. Railway lines and properties within the Province were granted to Trustees to secure payment of the securities issued thereunder; such lines and properties are now part of the Canadian National Railways, which are controlled by the Dominion Government.

(3), (4), (5). Sinking Funds have been established in connection with these guaranteed securities.

---

* Now set up in the Balance-sheet as a direct liability.

Waste and Inaction Block Nation-building Programme

Idle Canadians Degenerate While Big Jobs Left Undone

By GUY S. CUNLIFFE
Staff Writer, The Financial Post

For several weeks the basement of a Toronto church has served as dormitory for 100 single men. Otherwise they might have to sleep in back alleys or park benches. They are transient unemployed. Nearly all are barred from getting food or shelter at Toronto's civic hostels by provincial rules as to residence qualification.

In the hostels themselves are 1,500 to 1,600 other men. They happen to qualify on a residence basis for more or less perpetual care in idleness at the expense of the taxpayers of the city, province and Dominion. Recently an additional qualification was established, willingness to work one day a week for the subsistence they get, as long as they are able bodied and in good health.

From both the transient and the hostel group, demands have come that they receive full shelter, food and other care—without question and without work. They will take work only if it is paid for at full regular wages, it is argued.

The sad part about it is that when a land settlement scheme was worked out to absorb the transients, only three men took advantage of it. And many of the hostel inmates are not capable of performing labor which would entitle them to full wages or at which they could remain.

Symptom of Frustration Results from Inaction

The Toronto situation is partly the result of organized agitation and is perhaps not typical of conditions in other parts of the country. But it highlights a country-wide state of affairs that is only one side of a great frustration. Wasting away in a desert of inanition are the ambitions of those who would like to see the nation's resources, of manpower as well as of nature, applied to useful, productive ends.

On the one hand is a vast reservoir of projects of building and development, many of them urgently necessary. They cry to be done to build Canada to a position of economic strength, national efficiency, social security for its people.

On the other hand are the serried ranks of relief recipients and their dependents. Beyond them are countless other thousands who are victims of occasional or partial employment, below-subsistence wages, inability to make their limited incomes provide them with food and shelter of a decent standard.

Worst Side of Relief Is Tragedy of Youth

Most distressing of all is the growing army of young Canadians, both on and off the relief rolls, left to fritter away their best years in idleness. Many see no opportunity to become self-sustaining citizens, perform useful work, or contribute to the upbuilding of their country.

Only to a limited extent has any effort been made to show them the satisfaction of work, to give them occupation for their idle time, to give them the physique and training to seize opportunity if and when it appears.

Many obstacles stand in the way of a concerted, broad-scale campaign to turn to useful purpose the stagnating energies of men on relief, to carry out the projects to make Canada a sound and secure place to live for its citizens. There is, of course, the dominating question of how such a programme is going to be paid for.

This money problem seems doubly great because of the huge debt burden of governing bodies in all fields. But in other countries, even in the brittle economies of Germany and Italy, ways and means have somehow been found to get things done and, to a large degree, to keep the majority of the people busy and secure.

Elimination of Waste First Step in Plan

Just because Canada is a "small country," as far as population, development and political influence go, is no reason why it cannot serve its people and build in proportion to its needs. It will require masterly planning to meet the challenge of undeveloped Canadian potentialities and idle Canadian citizens. But the first and most fundamental step in such plan can be summed up tersely in three words: Cut out waste!

Waste of Canada's resources is pouring down the fiscal and economic drain millions of dollars a year. A major portion of the credit resources needed to launch a nation-building programme could be developed by plugging this drain of present waste in public spending.

The national policy of "do nothing" in regard to the railway problem is sapping the fiscal lifeblood of the country to the tune of $45 millions a year. Hundreds of millions of dollars have been wasted within young men's memory through the duplication and overlapping of government services.

Supplanting of waste by co-ordinated efficiency would permit the diversion to constructive purposes of the huge block of national income now paid as tribute to indifference and unproductive political expenditures. Equally important, this would bring about savings in relief costs, in itself providing needed funds for a nation-building programme.

New heart and confidence would be given to private enterprise. Efficient, wasteless government makes for business confidence, and business confidence makes for spending and employment.

Impulse to Service Is Smothered

Comparatively few Canadians want to accomplish such ends by the sacrifice of individual freedom and the all-pervasive control of the nation's activities by the state. But in England, for instance, huge financing has been accomplished under democracy, and progress made toward rousing the latent desire in most men to advance intelligent self-interest through voluntary service to the state.

In Canada such impulses remain latent. They seem smothered by the prevalence of such notions as the theory that it is better to leave things undone and let men degenerate in idleness than to apply their energies to building of the nation. A challenging contrast is provided by Germany, where virtually all employables have been put to work, even though for wages controlled by the state and with hours dictated by the necessities of the job being done.

All German youths between 17 and 25 must give six months service in the labor corps before getting their compulsory military training. They are provided with shelter, food, recreation and pocket money of 40 pfennigs (purchasing value about eight cents) a day.

This is even less than the 50 pfennigs paid the German soldier. But in many ways the labor corps youths are better off than Canadian youths fretting away best years in a city slum or run-down farm, physique and morale deteriorating, contributing nothing to the communal benefit.

There is much to warrant a belief that such Canadian young people would gladly exchange their present lot for a life of work and training. Especially if it were in national interest, there would be no need for Fascist compulsion. Similarly, their older brothers could be mobilized to serve their own and the nation's interests.

There are those among Canada's reliefees who will not work unless they are forced to or are offered full wages, but there are indications they are in the minority. Latest available figures indicate that there are about 140,000 employables among the beneficiaries of non-farm relief and 80,000 heads of families or individuals getting farm relief, excluding dependents.

These thousands represent a powerful force that could be largely harnessed, without any compulsion, for the betterment of the country and development of its resources. There are other thousands, particularly young people, who are unemployed but dependent on friends or relatives and thus not reflected by the relief totals.

Plenty of Work For Idle Hands

There persists in Canada an assumption that all this idle and deteriorating manpower must remain idle because there are not enough necessary or desirable projects for them to work on, even if the problems of finance and mobilization without compulsion could be overcome. Even the most casual review of the actual situation contradicts such an assumption. The urban settlements and open spaces of this country present a reproachful panorama of jobs undone that, if not definitely necessary, at least can be classed as urgently desirable.

The combination of lack of progress and cold storage of manpower was thus summed up recently by the Windsor Daily Star:

> "Canadian governments of the past decade have nothing to boast about as they look back. Golden opportunities have passed by. Thousands of hours of potential useful work have been tossed away. A thousand and one improvements the nation could have had are still far off. Tens of millions have been outlayed to keep men in idleness—instead of employing them in useful undertakings. Here and there something has been done, but these projects have been pitifully few.
>
> "Money judiciously expended on public works is never waste. It adds to the national wealth and the national comfort and the national pride."

And, the editor might have added, to the national progress and to the advancement, security and self-dependence of all Canadians.

The most important phrase in the editorial is "judiciously expended." Money can be wasted on public works but need not be.

Construction Council Plan Provides Nucleus

Early in 1934, the National Construction Council drafted a programme of public works' projects which it classed as "economically justifiable or self-liquidating." It urged they be undertaken to give employment and stimulate recovery. The cost estimates on the projects on the list added up to $50.7 millions. That may sound like a lot of money, but the remarkable thing about the programme from the perspective of today is that it was not much bigger.

The fact is, the programme as submitted (and since only carried out to a limited degree) was the hard core of a far vaster range of projects. All of them had (and still have) some claim to the designation of necessary or desirable. The original roster of works from which the Construction Council culled its final list called for a gross outlay of between $400 and $600 millions.

The net programme included no items for either highways or urban roads, for housing projects, for such major single projects as the St. Lawrence waterway scheme or the suspended development of the $40-millions terminal for the C.N.R. at Montreal.

The Council concentrated chiefly on federal and provincial works, with a limited number of municipal projects. Included in the list were projects for court houses, city halls and other public buildings; hospitals, asylums, jails, sanatoria; waterworks and sewer projects, wharves and bridges, subways; airports and barracks; grain elevators; urban road improvements, including the proposed boulevard around Montreal Island.

Major jobs of development are being left undone.

Little Difficulty Found In Framing Programme

Even cursory examination of the list reveals the restraint used by the Council in the drafting the list. The point is that this one organization alone would find not the slightest difficulty in compiling a long-term programme that would not only keep all idle citizens busy for years to come, but would, to quote the Windsor Star again, "add to the national wealth and national comfort and the national pride."

There are other bodies that with equal ease could outline works of building and development that could be classed not only as justifiable or desirable, but as urgently necessary in community interest. An example that comes readily to mind is the Canadian Institute on Sewage & Sanitation. For some years past, Canadian municipalities as a whole have ignored the growing necessity of installing or improving sewage disposal facilities.

In many centres today the lack of adequate disposal is a major menace to community health and general welfare. Prior to the recent convention of the Institute in Toronto, warning of this serious situation was embodied in a published comment by Norman J. Howard, 1937-38 president. He said:

> "In the vicinity of many large cities, pollution of the raw water supplies has reached alarming proportions, and has reached a stage of inherent danger should any breakdown at the water purification plant occur. Water at the bathing beaches has become so polluted as to render the water unsafe to bathe in. Municipalities are spending vast sums of money on chemical treatment of their water supply, not only to render it safe, but also to prevent tastes and odors in the finished product. These expenditures are in jeopardy through pollution from unsafe sewage disposal methods.
>
> "The days of doubt regarding adequate sewage treatment and disposal are now a thing of the past, and municipalities must face the issue in the immediate future even though it does involve a considerable burden to the already overloaded taxpayer."

Obvious and largely neglected fields in which public enterprise might well operate are those concerned with new roads into mining and lumbering areas, completion of the Trans-Canada highway, extension and improvement of provincial road systems. An equally important but overlooked problem from which desirable large-scale works could be derived is that of urban traffic congestion.

Projects Are Plentiful In Town and Country

Despite traffic lights and loosely enforced parking prohibitions, city traffic congestion still causes heavy losses to business and public convenience. As on the open highway, slow headway has been made in eliminating level crossings and none whatever toward providing through traffic arteries without intersections.

Yet enlightened traffic engineers have warned repeatedly that most large cities must eventually meet their traffic problems with at least two or three "limited ways" that will obviate the 50-60% loss in efficiency of existing roads at intersections.

Nor has anything been done to eliminate the economic waste of the use as parking lots of land at the heart of urban centres. Modern engineers foresee the day when downtown motorists either must be provided with underground municipal parking lots, or rings of parking areas be developed on the fringes of downtown sections.

Among the non-urban projects which suggest themselves as in the national interest and likely to absorb the nation's idle are the greater development of our national parks and other tourist facilities, and encouragement of mass farming projects such as the self-sustaining experimental farm for unemployed youths established a year ago by Henry Ford. There are plenty of swamps to be drained, acres of uncultivated lands to be developed.

The undertakings suggested are but the chief items among the major jobs of work pressing to be done in Canada. Not only do they remain undone, but there are no plans to deal with them in the future. With few exceptions, the benefit of the projects would go 30% to the field and erection labor involved. If the labor required for production of materials and equipment is included, the labor benefit would run as high as 80-85%.

However black may be the social and political methods of the dictatorships, they have erected enduring monuments of achievement in the shape of drained marshes, magnificent buildings, amazing roads. These achievements are challenging the democracies to devise less ruthless methods to accomplish national progress. As far as Canada is concerned, the answer to the challenge so far is epitomized by the drifters who are left to sleep in church basements and listen to agitators.

And the major reason why Canada cannot "afford" to rebuild the nation as it should is that failure to plug the drains of waste in public finance has already weakened the taxpayer and frightened the lender of capital.

Construction

Ontario Shows Upturn In Residential Building

Upturn of residential building in Ontario was a notable feature of new building activity in Canada in October, and was the chief factor in lifting the all-Canada level of residential construction 6% above October of last year.

Detailed breakdown of contracts awarded throughout the Dominion last month, as compiled by MacLean Building Reports, gives an Ontario residential total 41% higher than October, 1937. Increases were shown both by apartment house building and construction of individual dwellings, mainly in Toronto.

Advance in residential construction was also shown in British Columbia, where the October total was $370,500, compared with $168,200 for the same month a year ago. Offsetting the Ontario and B. C. increases, however, was a decline of 30% in dwelling construction in Quebec.

An encouraging feature of the October report was the slight increase in the estimate of projects reported as contemplated, from $27.6 millions in October, 1937, to $31.5 millions last month. The rise springs mainly from report that Steel Co. of Canada is considering erection of a $15 millions strip mill.

Construction Contracts Awarded in Canada

	— Oct. 1938 —		— Oct. 1937 —		— Sept. 1938 —	
	No.	Amt. in $	No.	Amt. in $	No.	Amt. in $
Apartments	18	551,000	22	336,400	11	207,000
Residences	1,750	4,606,000	1,733	4,529,800	1,663	4,438,200
Total residential	1,768	5,157,000	1,755	4,866,200	1,674	4,645,200
Churches	29	443,100	28	314,400	41	772,000
Public garages	106	502,700	92	468,100	78	474,200
Hospitals	11	959,700	16	2,550,500	6	820,000
Hotels, clubs	23	172,800	32	136,500	22	185,300
Office buildings	34	273,200	48	283,000	51	717,800
Public buildings	67	3,390,800	57	864,100	59	1,290,100
Schools	39	816,100	28	676,700	53	1,187,800
Stores	141	1,416,200	174	494,700	140	1,632,100
Theatres	4	110,000	11	115,000	7	108,000
Warehouses	49	365,400	68	495,800	58	373,600
Total business	503	8,450,000	554	6,398,800	515	7,560,900
Total industrial	64	1,241,100	104	2,204,800	81	911,000
Bridges	14	513,200	13	171,200	31	302,300
Dams, wharves	29	591,900	13	121,400	35	935,100
Sewers, watermains	20	182,000	20	374,800	7	141,500
Roads, streets	25	180,800	56	1,062,500	78	3,123,800
General engineering	73	1,795,200	54	4,970,200	62	1,914,500
Total engineering	161	3,362,900	156	6,700,100	213	6,417,200
GRAND TOTAL	2,496	18,111,000	2,569	20,169,900	2,483	19,534,900

GENERAL STEEL WARES
LIMITED
Manufacturers of
UTENSILS
for the
KITCHEN, FARM and INSTITUTION
Montreal Toronto London Winnipeg Calgary Vancouver

AUDITORIUM
CENTRAL STATION
AIR CONDITIONING
UNIT TYPE
SYSTEMS

IC OC ...both are lowered when you specify
INITIAL COST
OPERATING COST
Royalty Rates Reduced
Write For Full Particulars
AUDITORIUM AIR CONDITIONING LTD.
VICTORIA BUILDING, OTTAWA, CANADA

"Nothing else met our requirements fully"

DOMINION
Battleship
LINOLEUM

says J. WM. REID
REID-ROWLAND
English China Store

Many retail store owners have had this very experience with Dominion Battleship Linoleum. Its quiet resilience pleases customers. Its permanence and easy and inexpensive maintenance reduce overhead.

Consult your architect or floor contractor about this colourful, modern floor and ask about our 5-year Guarantee.

Dominion Battleship Linoleum comes in 19 shades and effects to be laid with or without border treatment or in tile or other effects.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED - MONTREAL
"How much of your Overhead is Underfoot?"

REID-ROWLAND

There's Steel from ALGOMA in All these Big New Bridges

●

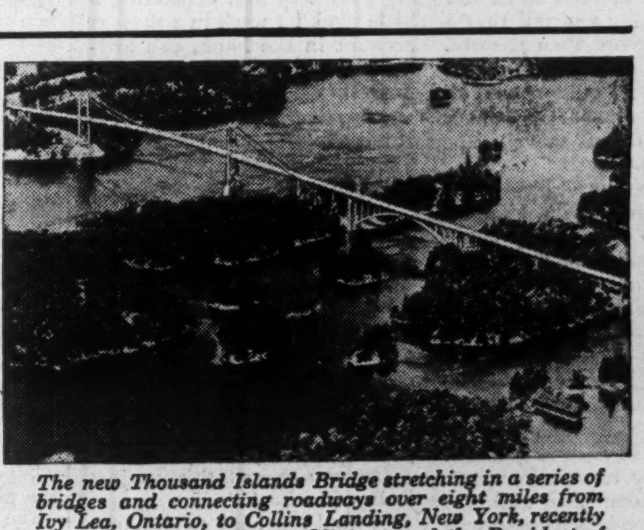
CANADIAN bridge-builders are using more steel from Algoma to-day than ever before. Three outstanding 1938 bridges—the Thousand Islands Bridge . . . the Blue Water Bridge . . . the new C.N.R. Bridge at Fredericton—are supported with substantial tonnages of structurals produced by the "Men of Algoma."

Algoma's 30" Structural Mill, 18" and 12" Merchant Mills now produce structural steel shapes in a wide range of sizes and weights which include most of the heavy sections formerly imported. Beams and channels from the smallest sizes to 15", "H" columns, angles to 6" x 6", flats to 12", structural and special car zees, structural tees, and steel sheet piling are some of the sections on Algoma's regular production schedules.

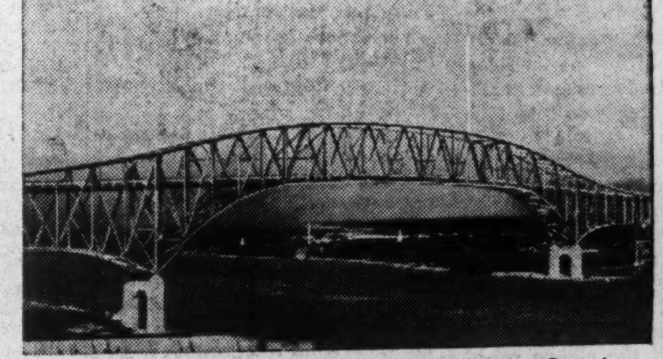
Combined with this production capacity is the reputation for quality and dependability which the "Men of Algoma" have established in more than 36 years of service.

Thus Canadian fabricators can buy larger tonnages of Algoma steel—and buy with confidence—for use in structures of every type, in all parts of Canada.

ALGOMA STEEL CORPORATION, LIMITED
Montreal—SAULT STE. MARIE—Toronto
B.C. Agents: F. Drexel Company, Vancouver



The new Thousand Islands Bridge stretching in a series of bridges and connecting roadways over eight miles from Ivy Lea, Ontario, to Collins Landing, New York, recently opened by Canada's Prime Minister and the President of the United States. Canadian Bridge Company Limited, contractor for Canadian crossing superstructure.



The new Blue Water Bridge connecting Sarnia, Ontario, with Port Huron, Michigan. This giant structure, reaching across the St. Clair River, is 1¼ miles in length. Sarnia Bridge Company, Limited, and Hamilton Bridge Company, Limited, contractors for Canadian approach superstructure.

The new C.N.R. Bridge over the St. John River at Fredericton. This bridge is 2,000 ft. in length and contains approximately 3,000 tons of steel. Hamilton Bridge Company, Ltd., contractor.

Algoma structural sections are stocked by leading Canadian fabricators and warehousemen.

ALGOMA STEEL

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

C. S. L.

Will you send us a report on Canada Steamship Lines and give your opinion as to the future prospects of the bonds?

Canada Steamship Lines' financial statement for 1938 may not be as good as that reported for the previous year, but expectations are that interest charges and depreciation will be earned. The bonds are considered an interesting semi-speculative purchase. Under the reorganization plan carried out a short time ago, the debt structure was drastically reduced, as also the carrying charges, and it is believed that on the volume of business prevailing in recent years — which has been below normal—the company can carry its debt structure without difficulty.

Fanny Farmer

What is the present rate of dividends on Fanny Farmer stock? Any other information would be appreciated.

Dividends have been paid on the common shares of Fanny Farmer Candy Shops at the rate of $1 a share annually since April 1, 1937. In 1937 extras of 75 cents were paid and another extra of 25 cents was paid on Oct. 1, 1938.

Fanny Farmer has expanded steadily since formation in 1919, and its operations cover the greater part of the U. S. Six plants are operated and it has been necessary to enlarge the Rochester plant.

The common shares of the company are well regarded, largely because of the steadiness of earnings throughout the depression years.

Officials announced recently that better conditions are expected for the remainder of the year.

Statements were issued monthly until a few months ago, when this practice was discontinued. The last sales figures for the six months ended June 30 shwed an increase of 4.70%, compared with 1937, but a decrease in profits of 1.60%.

It has been rumored that a joint enterprise of Fanny Farmer and Laura Secord will carry operations into the English field.

Earnings on the common shares amounted to $2.06 in 1937 as compared with $1.50 a share in 1936. The strong liquid position of the company was maintained in 1937, working capital amounting to $1.3 million.

Borden Co.

I would appreciate information on The Borden Co. stock.

The Borden Company is a wholly owned Canadian holding and operating company under The Borden Company, New York.

Dividends were changed from a quarterly basis to an interim one with the payment of 30 cents on June 1, 1938. On September 1 another interim dividend of 30 cents was paid, bringing disbursements for the year to $1. Payments totalled $1.60 in 1936 and 1937. Dividends have been paid each year since 1899.

The company reported earnings of $2.8 millions for the six months ended June 30, 1938 against $2.9 millions for the corresponding period of 1937, equivalent to earnings per share of 54 cents and 65 cents, respectively.

At Dec. 31, 1937, there were 4,396,704 common shares of $15 par value outstanding, exclusive of 21,254 shares held in the treasury.

Greater Windsor Devel.

Can you give me any information on the bonds of Greater Windsor Development Co.?

Greater Windsor Development Co. was formed to erect the Royal Windsor Apartments at Windsor, Ont., and is being operated by the London and Western Trusts Company, as receiver and manager. Principal and interest on the $340,750 of 6½% first mortgage serial bonds is in default from 1930.

Gross revenue was $28,098 in 1937, an increase of $1,326 over 1936.

During 1937 the balance owing on the furniture account was paid as well as the receiver's overdraft. Balance owing on amortized tax arrears was $4,785 at Dec. 1, 1937. After adjusting taxes and insurance on an annual basis, not providing for depreciation, management or legal expenses, net revenue for 1937 amounted to $10,547, an increase of $1,961 over 1936.

Dosco Bonds

I am interested in the 6¼% bonds of Dominion Steel and Coal Corp. and would like some information as regards earnings. What is the present price of the bonds?

Dominion Steel & Coal 6¼% bonds are currently quoted at 99 bid, 102 asked. These are cumulative income bonds. There has been steady improvement in the company's position during the past five years, and last year earnings were at the highest level in its history.

Interest requirements were earned 10.33 times before sinking fund, depreciation and depletion, and 6.60 times after sinking fund, depreciation and depletion. Earnings are not likely to be as good in the current year, but the company will have no difficulty in earning the interest on its bonds by a wide margin.

English Electric

I am interested in English Electric class A stock and would appreciate any information on this stock.

English Electric Co. of Canada has been able to maintain its volume of business and profits for the first nine months of this year at a level only slightly lower than for the corresponding period of 1937. This is after charging more for depreciation and income taxes.

Operations during the second half of the year have been at a high level although there was a decrease in orders booked at the end of August 1, amounting to about 34%. It is understood that month-to-month business has been satisfactory in view of general business conditions and each month has exceeded the budget for the year. This is due, in part, to the activity in the mining industry.

In 1937, English Electric earned $4.02 on its class A shares before allowing for the participating features. Dividends are being paid at the rate of 62½ cents per share quarterly.

The company makes a wide line of electrical equipment for mines, power plants and pulp and paper mills. Although the company is engaged in an industry which is subject to rather severe fluctuations, the class A shares are not without investment attractions. They are not very actively traded, although listed on the Toronto and Montreal Stock Exchanges.

Canada Bud

I would like your advice on the purchase of Canada Bud shares.

Canada Bud Breweries is understood to have found business less satisfactory this year and will report profits for 1938 below the $1.08 a share earned on the common in 1937. As evidence of this the dividend paid in July was only 20 cents a share where previous payments have been at 40 cents.

Canada Bud Breweries is controlled by Canadian Breweries which owns over 50% of the outstanding stock. It is quite probable that earnings of Canada Bud would increase with an improvement in business, but the stock is not particularly attractive from a speculative standpoint.

Can. Gen. Invest.

What is your opinion of Canadian General Investments Ltd.?

Canadian General Investments Ltd. compares favorably with other Canadian investment trusts. Its management is able and experienced.

Any company whose assets consist almost entirely of securities has been faced with a great deal of difficulty in the past year in maintaining the equity behind its shares because of fluctuations in market price. At June 30, 1938, net liquidating value of Canadian General Investments was equivalent to $12.03 a share which compares with $11.93 as at Dec. 31, 1937.

In the first half of this year earnings were quite well maintained, being equivalent to 33 cents a share on the common stock out of which 25 cents a share was paid in dividends. The dividend rate was increased from 40 cents to 50 cents a share annually in 1936.

WHERE DOES ALL THE MONEY COME FROM?

★ ★

MORE than four and one-half million depositors in Canada have "money in the bank."

They are satisfied to leave their money on deposit because Canada's chartered banks are ready and able to pay back promptly every cent when the depositor calls for it.

These deposits in the chartered banks total roughly $2,262,000,000—approximately 10 per cent. of which they carry in cash—in other words Bank of Canada money or "legal tender."

Some people do not fully understand banking operations and might ask:

1. What have the banks got to represent our deposits if they do not have it all in cash?

2. How can the banks repay our deposits, over $2,262,000,000, with the amount of cash they hold?

The answer to No. 1 is: Look at any bank balance sheet and you will see for yourself that a bank owns more than it owes. That is to say—if all of its depositors were paid off and all of its other debts paid, a balance would be left belonging to the shareholders.

That should answer your first question satisfactorily. And now for No. 2:

Look again at a bank balance sheet and you will see that in addition to the cash it holds, the bank owns assets quickly convertible into cash, or which can be used to borrow from the Bank of Canada.

Experience has taught banks the amount of cash it is necessary to carry to meet ordinary day to day demands, and also the proportion it is necessary to carry in gilt-edged quick assets which can be liquidated to meet even any extraordinary demand. Banks know that it is absurd to expect all depositors to call for their money at the same time.

That would be like saying that if everybody got sick at the same time there would not be room in the hospitals to take care of them.

Or that if everybody who travels by street car decided to travel at exactly the same hour, there would not be enough cars to carry them.

Or that if every person who carries life insurance died on the same day all the claims could not be met.

Or that if every sea were drained dry there would be no ocean liners.

Such statements are meaningless when you expose them to the cold light of commonsense.

Where, then, does all the money come from? That question can best be answered by asking this one: Who owns it—and how do they get it?

Addressing ourselves to 4,740,000 depositors we answer: "This money is yours. You own it. When you call for it, you get it. When you ask any existing Canadian bank for it, do you ever fail to get it promptly?"

We ask you, too: "Do *you* regard *your* deposit as figures in a book?"

If you are a wage-earner, paying your way and depositing a little week by week in a savings account in the bank, can anybody convince you that *your* deposit came into being by writing figures in a book? Or is it not a fact that you can call at your bank and take it away with you—in cash!

Suppose you are a farmer—let us use one acre and some round figures for illustration. You use 1½ bushels at a dollar a bushel, of wheat, to seed one acre. You reap, say 20 bushels, worth a dollar a bushel. Leaving out your costs to simplify matters, your gain is 18½ bushels equivalent to 18½ dollars, which you deposit in your bank.

Do you regard this as just figures in a book?

It would be hard to convince any wage-earner or any producer of new wealth, that his deposit which arose from his labour and production, is anything but real money.

He knows better, for he can buy things with it.

Where does all the money come from?

Your deposit is the measure of your own real wealth.

That wealth comes from the marketing of your labour for wages; from the application of labour to the soil of the farm, or to the standing timber in the forest; from the catching of fish in the sea; from the wresting of minerals from the ground; from the fabricating of raw materials into manufactured goods; and from marketing at home or abroad this continuous production.

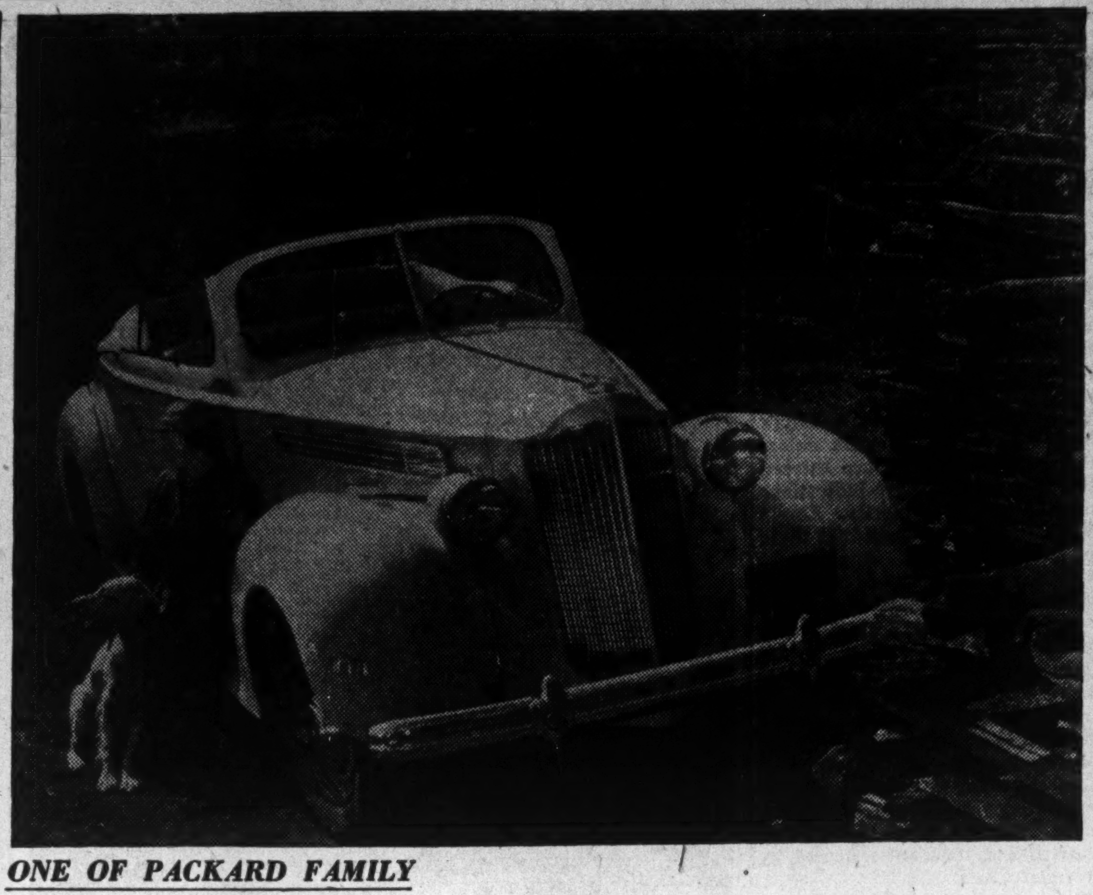
When somebody wants to change all your business and economic methods and by some mysterious magic to bring about overnight a promised millenium of prosperity, ask what success such a theorist has made of handling his own affairs, before you back his theory.

Bank deposits reflect tangible wealth produced. Every dollar we owe to you—our depositors—is backed by many dollars in real assets.

Canada's chartered banks not only serve the individual well, they are a great factor in the building of the nation.

THE CHARTERED BANKS OF CANADA

Your local branch bank manager will be glad to talk banking with you. He will be glad to answer your questions, from the standpoint of his own experience.



ONE OF PACKARD FAMILY

Four complete lines of Packard cars with 33 different body models, exclusive of custom and special purpose cars, are offered by Packard for 1939. One line, the Super Eight, is completely new, giving Packard a new price class and a wider range of its products.

While retaining the original Packard appearance several new features have been incorporated in the 1939 lines. There is a fifth shock absorber to reduce sidesway. A new overdrive cutting in at 30 miles an hour reduces fuel consumption up to 20%. This overdrive can be locked out if desired at any time. Gear shift on most models is now mounted on the steering-wheel column. Above the Packard 120 Cabriolet.

Investment Trusts Buy Several Canadian Stocks

International Nickel retained its popularity with the large United States investment trusts in the three months ended Sept. 30, 1938. Where in the preceding quarter, however, sales of this stock had been greater than had purchases, there were no sales reported by the 10 or 12 U. S. investment trusts whose quarterly reports are available.

Outside of Ford Motor Co. of Canada, U. S. investment trusts seems to look to Canadian stocks chiefly for mining investments. Ford of Canada, however, was in third place for popularity among the automobile stocks listed, following Chrysler and General Motors.

Only instance where sales of a stock with Canadian following exceeded purchases was American Cyanamid class B. In this instance the sales of 2,100 shares were reported by General American Investors.

Canadian Investment Fund

Only Canadian investment trust to publish regular reports of stocks held is Canadian Investment Fund. This trust confined its purchases in the quarter entirely to Canadian stocks although reducing holdings of several U. S. stocks. This trust sold its entire holdings of 2,000 preferred shares of International Paper & Power in July and bought them back in September at lower prices. Stocks sold in the three months included Crane Co., General Electric, Montgomery-Ward, Sherwin-Williams and Union Carbide, all United States stocks. In addition the redemption of Bank of Canada shares resulted in elimination of holdings in this stock.

A summary of Canadian stocks purchased by a number of large investment trusts follows:

Stocks Bought

	Shares
Aluminium Ltd.	2,000
British American Oil	3,000
Canadian Bronze	500
Consol. Mining & Smelting	200
Dome Mines	10,000
Hudson Bay Mining	1,600
Imperial Oil	1,000
International Nickel	21,100
International Petroleum	600
Lake Shore Mines	1,400
McIntyre-Porcupine	600
National Breweries	200
Noranda Mines	600
Ogilvie Flour	100
Wright-Hargreaves	8,000

Rail Revenues Up in October

Gross Earnings of Both C.N.R. and C.P.R. Benefit from Better Crop

From Our Own Correspondent

MONTREAL.—Gross revenues of both the Canadian Pacific and Canadian National Railways in October will be ahead of the same month last year. This reflects increased traffic in western Canada as a result of the larger wheat crop.

For the C.P.R. this will be the third successive month in which gross revenues have increased. Furthermore, the increase will probably be greater than the improvement of $1.4 million reported in August.

For the week ended Oct. 21, the C.P.R. reports gross revenue of $3,646,000, an increase of $350,000 or 10.6% over the same week last year. The gain, which is somewhat smaller than that scored in the three previous weeks, is the ninth successive weekly increase.

In the three weeks ended Oct. 21, gross revenues amounted to $11,344,000, an increase of $1,316,000 or 13%. In the month of September there was an increase of $1,430,000 or 9.96%.

C.N.R. Revenue Gains

The C.N.R. reports revenues of $4,630,290 for the week ended Oct. 21, a gain of $108,123 or 2.4%. This compares with a gain of 6.79% in the week ended Oct. 14 and 4.35% in the week ended Oct. 7.

Cumulative returns show gross revenues of $13,412,265 for the C.N.R. in the first three weeks of October, an increase of $568,096 or 6.8%. It appears, therefore, that C.N.R. results for October will show the first monthly increase in gross revenues since November of last year. In September, the decline in gross amounted to only $80,810.

Investment Dealer New Bureau Head

Montreal B. B. B. Elects A. E. Ames & Co. Official

F. D. Chapman, manager of the Montreal office of A. E. Ames & Co., Toronto investment bankers, was elected president of the Montreal Better Business Bureau at the recently held annual meeting. He succeeds K. B. Thornton, of the Montreal Tramways Co.

Replacing Mr. Chapman as Bureau vice-president and chairman of the financial section is W. Stokes Greene of the Montreal Trust Co. Continuing as vice-president and chairman of the merchandising section is R. C. Dougherty of Canadian Industries Ltd. Several new directors were added to both the financial and merchandising sections, including C. H. Howell, vice-president and managing director of the Kraft-Phenix Cheese Co. He will serve as a director to strengthen the co-operative relations between the Bureau and the Board of Trade.

Other new directors include Jean E. Chaput of Brault & Chaput, Hugh R. McCuaig of McCuaig Bros. & Co., F. J. Vincent of L. J. Forget & Co., T. B. Weatherbee of the Canadian Bank of Commerce, and Henry Birks of Henry Birks & Sons.

Financial statement covering the fiscal year ended Feb. 28 last showed an operating deficit of $4,391 and a shrinkage in market value of investments of $807. This converted the surplus of $4,815 as of Feb. 28, 1937, into a net deficit of $383. The balance sheet showed a bank overdraft of $591, a secured bank loan of $2,000 and accounts payable of $1,602, exclusive of unpaid members fees.

Since February, however, the bank overdraft has been converted into a credit balance, the accounts payable have been paid off, and the first seven months of the current year showed an operating surplus of $1,900. Should operating results for the next few months be as favorable, directors are hopeful that the fiscal year ending next February will show considerable improvement over the 1937-38 period.

Cuban Canadian Sugar Defers Meet to December

From Our Own Correspondent

MONTREAL. — Cuban Canadian Suger Co.'s plan of capital reorganization will come up for consideration on December 23, when it is hoped a quorum will be present at the meeting.

The first meeting was called for October 31, but owing to a lack of a quorum, the meeting was postponed. To secure approval of the plan, it is necessary to have an affirmative vote representing two thirds of the outstanding stock and two thirds of the shareholders.

N.B. Power Co. Given Exemption

S. E. C. Rules Company Does Not Come Under Utility Holding Act

Application of New Brunswick Power Co. for exemption from the provisions of the Public Utility Holding Company Act of 1935, has been granted, according to an order dated Oct. 18, 1938, from the Securities and Exchange Commission, Washington. The exemption granted extends to Dec. 31, 1940, and will be subject to extension.

New Brunswick Power Co. furnishes the city of Saint John, N.B., with electric, gas, street railway and motor bus transportation services.

According to the Commission's report, the company has outstanding 10,000 shares of $100 par first preferred stock of which Federal Light & Traction Co. owns 9,812 shares and the public 188 shares. Of its 3,500 shares of second preferred, 3,413 shares are held by a nominee for Cities Service Power & Light Co. and 69 shares are publicly held within the U. S. There are 20,000 common shares outstanding of which 19,932 shares are held by Federal Light & Traction Co.

As at July 31, 1938, N. B. Power was also indebted to Federal Light & Traction Co. on open account and notes to the amount of $3.8 millions.

N. B. Power has not issued annual financial statements since 1934. Over the past year or two negotiations have been carried on in an attempt to have the city take over the company's system which is operated in competition with a municipally-owned system. These negotiations, however, have not been successful.

Twin City Rapid Transit Shows 9 Month Loss

Income of Twin City Rapid Transit Co. for the nine months period ended Sept. 30, 1938, was reduced to $6.2 millions from $6.7 millions for a similar period in 1937.

After all charges a net loss of $144,471 was incurred, before provision for surtax on undistributed profits, as against net income of $369,415 for the preceding year.

Income Account
Nine Months Ended Sept. 30

	1938 $	1937 $
Oper. income	6,221,593	6,749,029
Less: Oper. exps.	4,814,846	4,782,586
Net oper. revenue	1,406,747	1,966,443
Less: Taxes	808,059	841,664
Oper. income	598,688	1,124,779
Add: Other income	14,461	21,703
Gross income	613,149	1,146,482
Less: Int. on bond int. debt	697,151	719,005
Amort. disc.	48,725	49,625
Misc. debits	11,744	8,437
Net income*	*144,471	369,415
Times fixed chgs. earn.	0.92	1.48

*Loss. *Before provision for surtax on undistributed profits.

ONTARIO LOAN AND DEBENTURE CO.
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED
DEBENTURES ISSUED
Mortgage loans on owners' homes at low rates of interest
Capital (Fully Paid), $2,000,000
Reserve Fund, $2,400,000

Our November Investment Booklet

CONTAINS a Review of General Conditions as well as a Selected List of Dominion, Provincial, Municipal and Corporation securities. Kindly write or telephone WAverley 3681.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

What Bonds are Informed Investors Buying Today?

There are substantial reasons why certain bonds are favored today by informed investors — conspicuously so by institutions and insurance companies whose approval reflects mature judgment.

We shall be pleased to submit facts and figures for careful study.

LAURENCE SMITH & CO. LTD.
INVESTMENT SECURITIES
VANCOUVER Royal Bank Bldg.
TORONTO Canada Permanent Bldg.
VICTORIA Arcade Bldg.

E. Kootenay Power Earnings Better

Revenue at Half-year Mark Reveals Moderate Gain Over Last Year

From Our Own Correspondent

MONTREAL. — East Kootenay Power Co., subsidiary of Power Corp. of Canada, reports a minor increase in net earnings for the half year ended September 30. Gross income advanced $9,095 to $285,197, while operating expenses increased only $6,289, leaving net earnings of $194,862 as against $192,056 for the like period a year ago.

Even better returns are indicated in the statement for September when net earnings amounted to $33,600, as against $31,511 for the same month in 1937.

Comparative returns for September and the six months ended September 30, 1938, and 1937 follow:

September	1938 $	1937 $
Gross revenue	47,839	46,705
Oper. expenses	14,239	15,194
Net revenue	33,600	31,511
6 Months Ended September		
Gross revenue	285,197	276,102
Oper. expenses	90,335	84,046
Net revenue	194,862	192,056

Faith in Canada's Future

To lend money on Canadian real estate away back in 1855, when this Corporation was first established in business, required more than good judgment—it required faith. The future of Canada was obscure. Never in the years that have followed has that faith wavered. It governs the Canada Permanent policy to-day.

CANADA PERMANENT Mortgage Corporation
Head Office
320 BAY ST. - TORONTO
Assets Exceed $68,000,000

Reader CONFIDENCE

BORN in the days when it was not established whether the white or the red was the governing race. the Winnipeg Free Press has grown up with the country in which its interests lie and its readers live.

Because a spirit of truth-seeking and tolerance animates it, it has attained the trust and respect of its community. By striving to be a *good* newspaper in its every department, day in and day out, the Free Press has earned the confidence of the largest group of readers in Central and Western Canada.

It has grown as Winnipeg has grown because it has served the city, province and country in a thousand ways without falter . . . gaining a bond of comradeship that few newspapers enjoy.

A home newspaper, the Free Press is read by some 38,000 families in Greater Winnipeg alone, the total circulation is in excess of 61,000.

Winnipeg Free Press
"Western Canada's Greatest Newspaper"
Toronto Office: 1206 Canada Permanent Bldg.
Montreal Office: 225 Confederation Bldg.

Market Leaders — No. 3

Profits on Paper

Price Brothers & Co. is Ranked As Major Unit in Newsprint Field

With the price structure stabilized and indications that earnings will show a definite improvement in the next year, attention is turning to Canada's newsprint companies. Third in the series of Market Leaders, The Financial Post this week studies Price Bros. & Co. Ltd.

Next week: Page-Hersey Tubes Ltd.

The importance of the pulp and paper industry in the economic fabric of the Dominion is unquestioned. The industry produces a livelihood for tens of thousands of workmen. More than 50 communities are dependent upon it. Over half a billion dollars have been invested

The most important phase of the industry is the manufacture of newsprint. Once a profitable field for investment, securities of newsprint companies fell on evil days during the depression. The chaotic conditions which resulted in financial trouble for the newsprint manufacturers are well-known to Canadians. They are also familiar with the improvements that have taken place. As a result of this betterment, investment interest in newsprint securities has been revived, and speculation has been intense.

One of the Major Units

In the centre of this revival of interest have been securities of Price Brothers and Co., which ranks as one of major units in the newsprint industry. It enjoys a strong financial position, low production costs and relatively low capitalization.

Like most newsprint companies, Price Brothers had its troubles as a result of the chaotic conditions in the industry during the depression years. Like many others, it was forced into bankruptcy and only recently has been restored to a sound basis. It should be noted its internal financial situation was an important factor contributing to bankruptcy. With its low cost of production, it would probably have weathered the storm of the difficult 1931-34 years had its internal finances not become unsettled.

Securities Paid Off in Full

Bankruptcy of newsprint producers has, in most instances, resulted in serious losses not only to shareholders but to bondholders. In this regard, holders of Price Bros. securities were fortunate. When the company was reorganized early in 1937, after four years of receivership, bondholders received payment in cash of principal and interest arrears. Preferred shareholders received an equal amount of 5½% preferred shares, and common shares through dividend arrears. Common shareholders exchanged their holdings on a share for share basis.

Capitalization of the reorganized company is as follows:

Capitalization as at Mar. 31, 1938

	Author.	Outstand.	Par
1st mtge. bds.	$25,000,000	*$15,000,000	
1% convert. debs., due 1957	4,268,300	†4,060,900	
5½%, pref. ...	6,284,300	6,284,300	$100
Common	679,084 sh.	547,857 sh.	n.p.v.

*Includes $1 million 3% serials, due Mar. 1, 1939-40; $2 millions 3½% serials, due Mar. 1, 1941-43; $12 millions 5% 20-year sinking fund bonds, due Mar. 1, 1957.

†Convertible until Mar. 1, 1947, into one common share for each $30 principal amount of debentures.

Factors to Bear in Mind

In connection with this capitalization it is important to note that $3 millions of the funded debt is on a short term basis. Of the 3% series, $500,000 is due on March 1 next and the balance on the same date in 1940. Redemption of the 3½% series, amounting to $2 millions takes place in equal installments during the three years 1941-43. After the short terms have been retired, the company will have outstanding $12 millions of 5% 20-year bonds and $4,060,900 of the convertible debentures.

Certain protective measures were incorporated in the reorganization plan. It provides, to all intents and purposes, that the net working capital must be maintained at $5 millions, otherwise no dividend can be paid on the capital stock, or any of the preferred or debts junior to the debentures redeemed. At the end of last March the company had a net working capital of over $7.8 millions.

Established in 1817

Price Brothers and Co. is one of the oldest industrial enterprises in Canada. Its history is an integral part of the exploration of commercial development in the great Saguenay watershed during the past 121 years.

William Price, the founder of the company, first came to Canada, as a representative of the British Admiralty in 1810. His object was to find a new source of supply for battleship masts, due to Napoleon's action in preventing England's further access to the Scandinavian countries. What he saw during months of exploration in the Saguenay country so impressed him that, on completion of his mission, he returned to Canada in 1817 to seek his fortune in the forests of Quebec.

For 100 years William Price and his descendants dominated the economic life of the Saguenay area. In that time the family concern devoted its attention almost wholly to the manufacture of sawmill products. At the end of the 19th century the company had in operation about 12 sawmills at St. Marguerite, Grand Bay, Riviere du Moulin, Chicoutimi and elsewhere, and controlled nearly 7,000 square miles of timber limits, a total considerably in excess of the holdings of any other individual or company in the province.

36 Years in Paper Business

In 1902 the Price family decided to enter the pulp and paper business and a small mill was constructed at Jonquiere. The great success of this initial venture in the manufacture of paper led to the decision in 1910 to operate on a much larger scale, and plans were laid for the construction of a new mill and townsite, which came into operation in 1912 in Kenogami. Again the company expanded into the paper field and another newsprint plant was constructed at River Bend.

Operates Big Property

Today the company is primarily in the production of newsprint, but it also produces sulphite and groundwood pulp, paperboard, sawn lumber, shingles, ties, lath, etc.

Properties include two newsprint mills with a combined annual capacity of approximately 340,000 tons. The larger of these is at Kenogami, Chicoutimi County, P.Q., and the other at River Bend, near the head of the Saguenay River, about 23 miles from Kenogami. The Kenogami mill is also equipped with a cardboard and wrapping paper machine with a capacity of about 30 tons a day. Through a wholly-owned subsidiary, the company continues to operate the cardboard and specialty mill of 50 tons daily capacity, at Jonquiere.

Saw mill operations of the company have been consolidated on the south shore of the St. Lawrence River, with mills at Rimouski, Matane, Metis and Etchemin, with combined annual capacity of about 75 million board feet.

Control Huge Timber Limits

As regards pulpwood supply, Price Bros. occupies a favorable position. Not only are its reserves and resources large, but they are so located as to make for low wood costs. It is estimated its limits, comprising 80,007 square miles, contain sufficient pulpwood for the operation of the mills at capacity for 60 years, without allowance for regeneration. Prior to last year the company owned an additional 1,000 square miles in Charlevoix County, but this was sold to Anglo-Canadian Pulp and Paper Co. for $1¼ million.

Has Own Power Supply

Power costs are another important factor to a newsprint producer. In this connection Price Bros. is also favorably situated in that it develops a large part of its own power requirements. It has six developed power sites with an aggregate capacity of 73,190 h.p., and two undeveloped sites with a potential capacity of 35,000 h.p. It also purchases a large block of power from Saguenay Power Co., essential to operations at River Bend.

Investors are mainly interested in the present and future operations of the company, but this analysis would be incomplete without mention of the company's earnings in the past. Prior to 1931 the company earned and paid common dividends regularly. The rate for 11 years was $2 a share. With the collapse of newsprint prices and drop in consumption, earnings declined sharply. In the years 1931-32 to 1935-36, inclusive, the company failed to earn its bond interest before depreciation.

Trend More Favorable

The position of the company has improved steadily since 1934-35, when net income available for interest, depletion and depreciation amounted to $738,497. In the year ended March 31, 1938, the first full year since receivership was ended, the company operated at a profit after all charges. This was the first time since 1930-31 that a profit had been shown.

Earnings in 1937-38 available for bank and bond interest, depreciation, depletion and income taxes amounted to $2,709,437. After providing for interest, income taxes and depletion and depreciation of $1¼ million, there remained a net profit of $501,965. This is equivalent to $7.94 a share on the preferred stock and 28 cents a share on the common. No dividends were paid. The preferred stock is cumulative from Jan. 1 next.

In connection with 1937-38 operations it should be remembered the price of newsprint during the first nine months, when production was on a substantial scale, was $42.50 a ton. In the last three months of the year, when production had to be reduced, the price was $50 a ton.

During the first half of the current year operations and earnings of the company were behind those of a year ago. As sales are expected to expand somewhat, earnings in the last half of the year should be more favorable. It is possible final results will equal last year's showing.

Leverage Behind Stock

As regards the 1938-39 fiscal year, as far as can be seen at this early date, prospects are for improvement. The overextended inventory position of the industry is approaching normality and demand is expected to increase. If the trend continues normal there is every reason for assuming Price Bros. will earn higher profits.

It is estimated Price Bros. produced 330,000 tons of newsprint during 1937. On the basis of this tonnage an increase of $5 a ton in net income would mean an increase of $1,650,000, equivalent to about $3 per common share. Even allowing for higher costs, a return to 1937 tonnage conditions with 1938 prices would mean a good earnings on the common stock. The price of newsprint this year is $7.50 a ton higher than in 1937 and this price level is to be maintained in 1939.

Investments Worth $3.9 Millions

The company has a strong working capital position, current assets amounting to $13,947,992 as against current liabilities of $6,137,519, leaving working capital of $7,810,475. Included under current assets are marketable securities with a book value value of $3,997,510. This is largely made up of 15,000 shares of Aluminum Co. of America and 14.766 common shares of Aluminium Ltd. The present market value of holdings in these two companies is $3.7 millions.

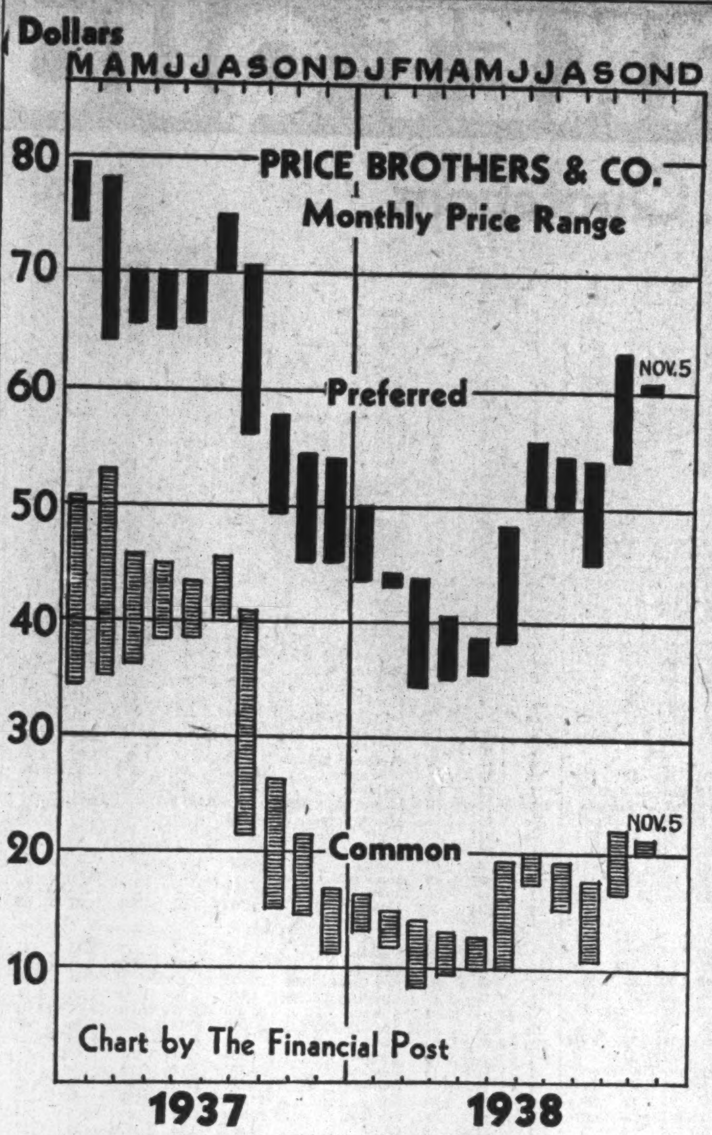
Price Bros. has a funded debt of about $16,000 per ton of daily capacity of newsprint and other paper products. On this basis it is one of the conservatively mortgaged units in the industry. Consolidated Paper has a funded debt of about $22,500 per ton; Abitibi, $24,000 per ton, excluding interest arrears; and Lake St. John Power & Paper, $30,500 per ton. If the preferred stock at its par value is added to the bonds, capitalization is increased to about $20,000 per ton of daily capacity.

Foresee Better Times

The future of Price Bros. is, of course, tied up with that of the country. The situation in the industry has been largely the result of overproduction last year. At the beginning of the year there were large surplus stocks on hand and for a time it was feared the price of newsprint might be reduced. As a result of close co-operation between the companies this situation is being corrected and by the end of the year it should be possible to restore operations to a normal basis.

The long term outlook is favorable. The industry has made impressive progress in consolidating its position.

Assuming normal, not boom, conditions in the future, Price Bros. should earn a good return on its invested capital. From almost every point of view it enjoys an outstanding position in the newsprint industry. It has good management, ample and well located timber limits, low production costs are relatively low capitalization—All favorable factors.



PRICE BROS. STOCK MOVEMENTS

Since the new stock of the reorganized Price Bros. & Co. was issued in March, 1937, the prices for both preferred and common stocks have fluctuated widely. This reflects general conditions in the newsprint industry which first improved, then ran into difficulties and now seem on the way up again.

Is the Market Trying to Tell A New Story on Newsprint?

From Our Own Correspondent

MONTREAL.—What's wrong with the market for newsprint securities? The announcement that prices would be unchanged for next year was expected to have a stabilizing effect and possibly be the forerunner of an active "newsprint" market. Interest did revive at the end of last week, but at the beginning of this week it flattened out and the market appeared to be trying to tell a story that the industry was not yet out of the woods.

There is no official or unofficial news to account for the uncertainty displayed in the market for newsprint securities. Prospects of increased tonnage next year are considered good, while the price of paper is right.

On "paper" the newsprint securities should be experiencing a broader and more active market. The fact that they aren't is explained in some quarters by the fact that developments over the past week were discounted in advance by the market.

Rather indefinite rumors are being circulated that all the operators are not unanimous about one or two matters. That is not news. Such a state of affairs has been widely known for some time. It may be that other and more important developments are in the making, particulars of which have not yet come to light. On the other hand, market followers may be expecting too much of the newsprint securities, which have been a most active trading medium for better than a year.

Peace!
Prosperity!
PROFITS!

Stock markets and business barometers are showing green lights. With war fears removed, the signs of the times point to Peace—Prosperity—Profits!

To guide investors in the months ahead, The Financial Post has chosen 10 representative stocks whose record and outlook merit consideration.

This week it's Price Bros. Read this valuable and informative study and others of the series which are to follow.

If you are not now a subscriber, the thing to do is to have the paper delivered at your home or office regularly each week.

Moreover, if you receive The Post by mail you are eligible to the full privileges of the Investment Enquiry Service without charge.

---------YOUR ORDER FORM---------

THE FINANCIAL POST,
481 University Avenue,
Toronto, 2, Canada.

Send me The Financial Post each week by mail for

20 Weeks—$2.00 52 Weeks—$5.00
(Check which)

Herewith $.................... in payment.

Name ....

Address ....

.....................Occupation 947

Pulp and Paper Industry

Newsprint Prices Hold

Revenues in 1939 Expected To Be $20 Millions Higher

From Our Own Correspondent

MONTREAL. — The newsprint price schedule continues unchanged for 1939.

Great Northern Paper Co., Maine Seaboard Paper, Algonquin Paper Corp. and Gould Paper Co. have announced they will continue the sale of newsprint at $48 a ton; International Paper, Abitibi, Price Bros & Co., Consolidated Paper and other Canadian operators will continue to sell paper at $50 a ton. Great Lakes Paper says it will sell at "the market."

The various announcements were in line with earlier expectations. In some quarters, however, there was a fear that the producers might lower the price fractionally on 1939 deliveries. Unconfirmed reports are that all the manufacturers were not unanimous on next year's price, but the policy of the current year continues.

Created No Surprise

So far there has been no particular comment from the American publishers. This is not surprising as the opinion below the line was that the price would be unchanged. In one or two quarters there was a hope that a slightly lower price would prevail, but by and large the publishers did not seriously anticipate any change from the 1938 schedules.

The settlement of the price question helps clear away the uncertainty over the 1939 outlook. The point now being considered by investors and others interested in the industry is the trend of consumption.

Around 65% for 1938

For the current year it is expected that mill operations will average just under 65% of rated capacity. This is lower than warranted by consumption, the difference being due to the fact that the publishers have drawn upon the surplus stocks built up last year at the $42.50 price.

While the publishers' stocks are approaching the point of normalcy, producers in this country are carrying a larger than normal supply. Accordingly it is expected that the stocks will not be back to a normal position until some time in the early part of 1939.

More Tonnage in Sight

As far as can be seen at this time surplus stocks should not have a major effect on operations next year. Consequently the operators can expect to increase their rate of production over and above the rate prevailing this year by the extent to which the publishers drew upon reserves. This should mean another 200,000 tons of available business.

In the event that there is no increase in consumption of paper and the present requirement holds, the Canadian mills should operate at better than 70% of capacity next year. Some of the operators believe that on this basis the rate of operations might go as high as 75%, but the more conservative view is around 70% to 72% of capacity.

This forecast of the possible trend of operations next year does not allow for an increase in consumption. If the expected business betterment continues throughout the next 12 months, it is only natural to expect that advertising will increase and in turn the consumption of paper.

Back to 3 Million Tons

Indications are that Canadian newsprint production will not exceed 2,600,000 tons this year. This contrasts with 3.2 million tons in 1937 and 2¾ million tons in 1936.

If the present forecast of an operating ratio of 70% of capacity is borne out for next year, the mills in this country should produce around 3 million tons, an increase of 400,000 tons over that estimated for this year.

Estimate 1938 Revenues

The minimum gross dollar revenue from newsprint manufactured in Canada for 1938 should run somewhere in the neighborhood of $130,000,000. This would be fractionally under the figure reported for 1937 and imply a maintenance of earnings by the idividual operators. However, such will not be the case. Lower operating ratio has added materially to costs, while wage rates and other charges are higher. Consequently the operators are not likely to show earnings much better than interest charges and somewhat under full depreciation requirements.

If no unexpected setback occurs next year—and the "if" is highly advisable in forecasting possible trends in the newsprint industry—the financial returns should be on a better basis. In the first place practically all of the operators have a good supply of relatively low cost wood. Overhead charges will be kept down. No change in the wage rate is expected. All these factors, combined with the improved operating ratio, should make for a larger margin of gross profit per ton of paper produced.

Bigger Profits in 1939

If the industry is able to operate at 70% of capacity and with the $50 a ton price prevailing, the gross dollar revenue should exceed $150,000,000, or $20,000,000 more than is estimated for 1938. Combined with lower operating costs, the net results should be definitely favorable.

Next year will be an interesting one from the angle of the ability of the operators to show what they can earn with $50 newsprint and with the operating ratio not far from normal. When operating at 85% and better of capacity and newsprint at $42.50 a ton, the industry was able to show substantial earnings. While the returns for 1937 may not be exceeded next year still the operators ought to be able to make a very favorable showing considering the relatively sharp advance in the price of their selling product.

SHIPMAN BOXBOARDS
LIMITED
Hamilton, Ontario
CORRUGATED
SHIPPING
CASES
Inquiries Solicited

SCRIPT
MIMEO BOND
RUNS Better
SCRIPT
MIMEO
BOND

The smoother, better running qualities of Script Mimeo Bond save time and waste. They save time in fewer stops and less effort on the part of the operator. They save waste, and money, by running freely through the machine with a clean, sharp impression on every sheet.

Script Mimeo Bond comes in Blue, Pink, Buff, Canary, Green, Gold and pure White. It adds a pleasant note of distinction to any multigraphed message.

Available in all standard sizes and in special packages for small cut stock sizes from your paper merchant.

SCRIPT
MIMEO
BOND
RUNS BETTER

A PROVINCIAL PAPER
PROVINCIAL PAPER LIMITED
TORONTO CANADA

Manufacturers of Newsprint for The Chicago Tribune and The Daily News, N.Y.

The Ontario Paper Co. has a vital interest in Canada. It has contributed to its progress and prosperity at Baie Comeau, where one of the largest single Canadian developments in years has just been completed.

This involved the expenditure of millions of dollars. Strong faith in the future of Canada and the Canadian people induced the company to undertake this vast project, thereby increasing their investment in this Dominion.

THE ONTARIO PAPER
COMPANY LIMITED
Thorold, Ont. 1005 McGill Bldg., Montreal, Que.

The
GREAT LAKES
PAPER COMPANY
Limited

DIRECTORS
C. H. CARLISLE
President
E. G. LONG, K.C.
Vice-President
L. J. HEIT
General Manager
L. E. ALDRICH
A. D. COBBAN
RAY LAWSON
J. W. McCURDY
H. PONTING
C. B. SHIELDS
C. ENGLAND
Secretary-Treasurer

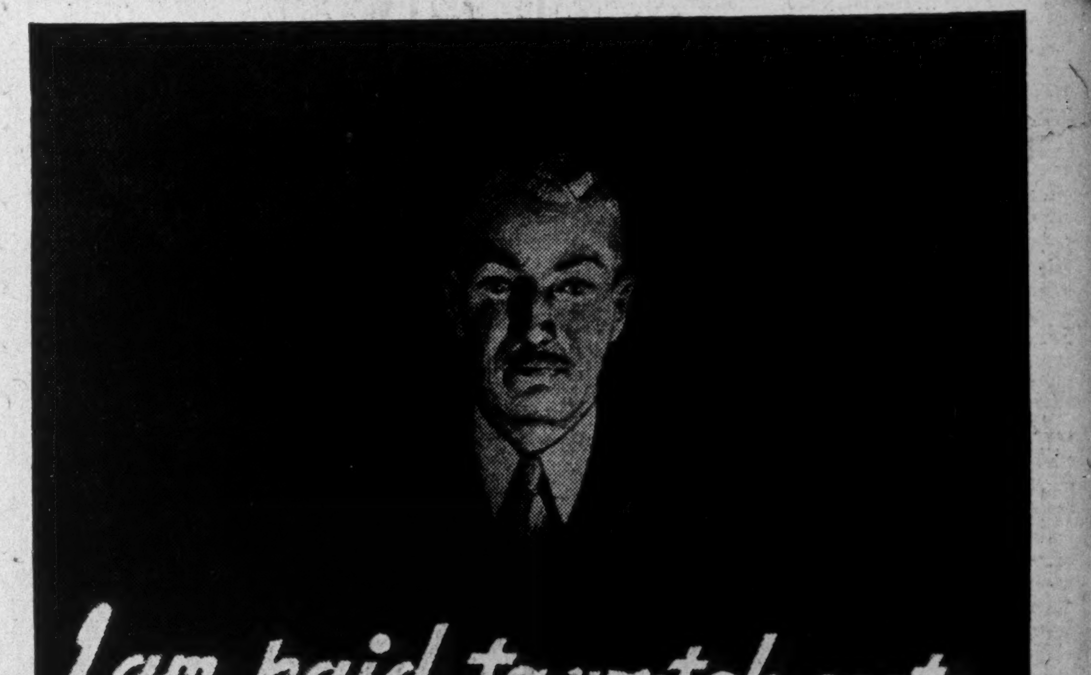
Manufacturers of
HIGH-GRADE NEWSPRINT
and
SULPHITE PULP

A modern mill affording an annual capacity of 110,000 tons newsprint, also excess sulphite mill capacity sufficient to provide 15,000 tons annually of unbleached sulphite pulp for export.

PAPER MILL AT
FORT WILLIAM, ONTARIO
TORONTO OFFICE
204 RICHMOND STREET W.

P B
PRICE BROS.
& Company Limited
NEWSPRINT and BOARD
Mills : Saw Mills
SULPHITE BLEACHED SULPHITE
FOURDRINIER SPECIALTIES
Newsprint Mills at Kenogami, Riverbend, Jonquiere
HEAD OFFICE PRICE HOUSE QUEBEC CITY

Abitibi Power & Paper
Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp


I am paid to watch costs

THIS PLAN HAS SAVED MANY FIRMS HUNDREDS OF DOLLARS A YEAR ON PRINTING

In large printing orders the paper is quite a considerable item in the cost.

Many firms have saved hundreds of dollars a year and improved the appearance and durability of their stationery by standardizing on Cheneaux Bond.

This popular No. 7 Bond has no equal in its class for statements, letterheads, forms of all kinds, advertising folders, etc. It has the printing surface, crispness and quality appearance you expect only in higher priced bond papers. The selection of 8 colors and white makes it particularly useful for office form systems.

Consult your printer, or write us for the full story on Cheneaux Bond.

The E. B. EDDY COMPANY LIMITED
Fine Papers Division
HULL CANADA

Cheneaux Bond

FOR YOUR HIGHEST CLASS BOND PRINTING, SPECIFY Dalhousie Bond

STOCK AND BOND MARKET QUOTATIONS

Toronto and Montreal Stock Exchange Quotations

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING NOVEMBER 7

Range 1938 High	Range 1938 Low	Div R'te $	Nov 5 Y'ld %	Company	Sales	Last Oct. 31	Week end. Nov. 7 H	L	Cl'se
				A					
4.75	1.00	.	...	Abitibi	9624	3.75	3.87	3.25	3.62
33	8½	.	...	Do. pref. 6%	6023	29	30½	27½	28
43	25	.	...	Do. pref. 7%	10	43	35	35	35
30	9	.	...	Do. cert. dep.	10	30	30	30	30
4½	4½	30c	...	Acadia Sugar	....	(3 bid — asked)			
7	3	50c	10	Acme Glove	....	(5 bid 6 asked)			
82	60	6.50	10.8	Do. pref.	....	(— bid 75 asked)			
11	8½	60+20c	8	Agnew Surp.	....	(9½ bid 9¾ asked)			
110	103	7	6.4	Do. pref.	35	107	109½	109	109
5½	2	.	...	Alta. Pac. Gr.	350	3½	3½	3½	3½
29	10½	.	...	Do. pref.	496	25	26	24½	24½
138½	75	.	...	Aluminum	25	138½	138½	138½	138½
110½	107	6	5.5	Do. pref.	50	110½	108½	108½	108½
3	2	.	...	Amal. Electric	....	(— bid 2½ asked)			
30	25	.	...	Do. pref.	25	25	25	25	25
26½	23	60c	...	Amer. Cyn. B.	....	(— bid 25 asked)			
116	47	2+1.50	3	Asbestos	4193	109	116	109	115½
16½	11½	80+25c	6	Assoc. Brew.	205	16½	16½	16½	16½
114	106	7	6.2	Do. pref.	....	(112 bid — asked)			
6½	6½	.	...	Assoc. T. & T.A.	....	(— bid 8 asked)			
43½	34	1.26	...	Do. pref.	....	(— bid 37 asked)			
101	100	5.50	5.5	Ault & Wiborg	....	(100 bid — asked)			
				B					
164	160	8	4.9	Bk. Can. Nat.	41	162	164	164	164
223	195	8	3.6	Bk. Montreal	248	215	220	215	218
310½	290	12	4	Bk. N. Scotia	28	308	309	300	303
249	227	10	4.2	Bk. Toronto	86	230	236	234	235
6	5	.	...	Barcelona	....	(4½ bid 14 asked)			
6	4½	.	...	Barker's Bread	....	(3 bid 5 asked)			
40	30	2.50	8.3	Do. pref.	....	(25 bid 40 asked)			
11½	6½	25c	...	Bathurst Pr.	720	9½	9¾	9	9½
5	2	.	...	Do. (B)	114	3½	3½	3	3½
2½	1	.	...	Bawlf Grain	....	(1½ bid 1½ asked)			
29	12	.	...	Do. pref.	25	15	15	15	15
2	2	.	...	Beath & Sons	....	(1¾ bid 3 asked)			
15	6½	.	...	Beatty Bros. A.	100	8½	8½	8½	8½
106	90	6	6	Do. pref.	5	100½	100½	100½	100½
105	85	7	8.2	Do. 2nd pref.	....	(— bid 99 asked)			
5½	2	.	...	Beauharnois	1870	3½	3¾	3½	3½
*107	100	4	3.8	Belding Cort.	....	(— bid 100 asked)			
135	129	7	5.3	Do. pref.	....	(130 bid — asked)			
167	146½	8	4.8	Bell Telephone	1066	166	167	165	165½
11¼	6½	50+12½c	8	Biltmore Hats	270	8	8	7¾	7¾
5	3	.	...	Blue Ribbon	....	(7½ bid 8¾ asked)			
35	25	2	6.8	Do. pref.	42	29½	29	27	27
25	21	1.30	5.2	Brant. Cord. pf.	....	(24¾ bid 25 asked)			
14½	7½	1	8.6	Brazilian Tr.	9422	12	12½	11½	11¾
7½	3	50+50c	...	Brew. & Distil.	11	4¾	4¾	4½	4¾
6	5½	30c	6	Bright, T. G.	....	(6½ bid — asked)			
80	77	6	7.8	Do. pref.	....	(80 bid — asked)			
22	16¾	1	4.7	Brit. Amer. Oil	5495	21	21½	20¾	21
16	9	.	...	B. C. Packers	66	12½	13½	13	13
34	25	2	7.2	B. C. Power A	470	27	28	27½	28
5½	3	.	...	Do. (B)	123	3½	3¾	3	3
5¼	2½	.	...	Bruck S. Mills	200	4½	4½	4	4
60	37	2+50c	4.2	Building Prod.	170	59	60	56	58
14½	9½	60c	4.8	Burlington Steel	65	12½	12½	12½	12½
3½	2	.	...	Burry Biscuit	....	(— bid 4½ asked)			
*60	30	3	...	Do. pref.	....	(36 bid — asked)			
28½	16½	1.20	4.3	Burt, F. N.	694	24	28½	22½	27
				C					
85	85	.	...	Calgary Power	35	85	85	85	85
90	83½	6	6.7	Do. pref.	....	(92¾ bid — asked)			
7	2	.	...	Canada Bread	20	4¾	4¾	4½	4½
94	80	5	5.3	Do. pref.	10	92	94	94	94
52	40	2.50+12½c▲	5	Do. pf. B.	60	51½	52	52	52
9	3½	40c	9.4	Canada Bud	25	4½	4½	4	4½
13	7	.	...	Canada Cement	1203	9	9½	9	9
110	84½	3.50+2▲	...	Do. pref.	525	95	95	94½	95
29½	23	50c+25c	...	C. & D. Sugar	1737	29½	29½	28¾	28¾
b21½	12½	25c	...	Canada Dry	4800	16¾	17½	16¾	17
17	9	1.25	...	Can. Forg. (A)	50	13	12	12	12
10	7½	.	...	Do. (B)	....	(10 bid — asked)			
30	30	.	...	Can. Iron	....	(30 Apr. 7)			
70	62	5	8	Do. pref.	....	(62 Oct. 24)			
36½	27	1.50+50	6	Can. Malting	420	33	33½	33	33
20	16	1.20	7.2	Can. Nor. Pr.	1070	18	17½	16½	16½
112½	103	7	6.4	Do. pref.	284	112	110	109½	110
72	58	3	4.4	Can. Packers	50	70	69	68	69
*7	1¾	.	...	Can. Pav., pf.	....	(— bid 1½ asked)			
150	128	8	5.9	Can. Perman.	105	136	136	134½	135
7	6	50c●	...	Can. Starch	....	(6½ bid 7½ asked)			
108	105	7	6.5	Do. pref.	....	(105 bid — asked)			
4½	1½	.	...	Can. Steamsh's.	150	2¾	2¾	2¾	2½
16½	6½	50c●	...	Do. pref.	1099	12½	12½	11½	12
17½	12	1.20	7.7	Can. Vinegars	123	15½	15½	15	15½
67	47	.	...	Can. W. Cable	65	56	57½	55	57½
22	15	.	...	Do. (B)	9	20½	19	19	19
97	96½	6.50+10▲	...	Do. pref.	....	(102 bid — asked)			
3	1½	.	...	Can. Bakeries	....	(1½ July 25)			
30	25	.	...	Do. pref.	335	30	30	30	30
180½	157	8	4.5	Can. Bk. Com.	237	180½	180½	179	180
2.50	.90	.	...	Can. Breweries	530	1.55	1.60	1.50	1.55
22	14	2	9.9	Do. pref.	522	20	20½	19	20½
41	28½	1.50+50	5.1	Can. Bronze	100	40½	40½	39	40
106	102¾	5	4.8	Do. pref.	....	(103 bid — asked)			
6	4	.	...	Can. Canners	329	5	4½	4½	4½
19	15½	1	5.4	Do. 1st pfd.	45	18¾	18½	18	18½
9	6½	60c	7.5	Do. 2nd pfd.	886	7½	8	7½	8
18½	7½	.	...	Can. Car & Fd'y	15515	15¾	17½	16	17½
31	18½	1.75	6.4	Do. pref.	4269	29½	31	29½	31
20	9	.	...	Can. Celanese	745	14	14	13½	13¾
107	88	7	7.6	Do. pref.	60	91½	92	91	92
20	15	1	...	Do. Rights	41	16	18½	18½	18½
10½	6	.	...	Can. Convert.	....	(7 bid 10 asked)			
76	63	4	6.2	Can. Cottons	....	(65 bid — asked)			
108	99	6	6.2	Do. pref.	5	100½	99¾	99¾	99¾
35	15	.	...	Can. Dredge	115	22	22½	22	22½
106	100	6	5.7	Can. Fairb., pf.	....	(100 bid — asked)			
19	6	.	...	Can. For. Inv.	30	8	9	6	9
105	100	8	8	Do. pref.	....	(— bid 101 asked)			
194	170	6	3.2	Can. Gen. Elec.	60	185	185	185	185
8½	7½	50c	6.2	Can. G. Inv.	....	(8½ bid — asked)			
4¾	1½	.	...	Can. Ind. Alc.	3926	3	3½	2½	3
4	1½	.	...	Do. (B)	280	3½	3	2½	3
220	178	4.50	...	Can. Indust. B.	....	(— bid 227 asked)			
165	155	7	4.3	Do. pref.	....	(— bid 167 asked)			
1.00	.50	.	...	Can. Int. I. Tr.	39	.85	.50	.50	.50
*90	70	5	...	Do. pref.	....	(— bid 62 asked)			
15½	13	1	6.7	Can. Lt. & Pr.	....	(16 bid 17 asked)			
10½	5½	.	...	Can. Locomo.	15	8	8	8	8
1.65	.75	.	...	Can. Marconi	252	1.30	1.30	1.00	1.00
16	10	50+12½c	5	Can. Oil	901	12	12½	12	12
123	110	8	6.6	Do. pref.	30	123	121½	121	121½
8½	5	.	...	Can. Pacific	11048	6½	6½	6½	6¾
2.50	.50	.	...	C. Pr. & Pa. In.	25	1.25	1.25	1.25	1.25
10	3	.	...	Do. pref.	60	7	6	5½	5½
11¾	3	.	...	Can. Vickers	3045	9	11¾	9	11½
49½	15	.	...	Do. pref.	627	40	49½	40	49½
10	8	1	10	C. Wallpaper A.	....	(12½ bid 19½ asked)			
12	12	1	8.3	Do. (B)	....	(10 bid 12 asked)			
58	50	2	3.5	Can. West'ho'se	25	58	56½	56½	56½
3.90	1.95	15c	...	Can. Wineries	60	3.00	3.00	3.00	3.00
21	17	1.50	7.3	Can. Wire Box	75	21	20½	19	19
3.15	1.00	.	...	Capital Estates	200	1.00	1.00	1.00	1.00
104½	98½	5	4.8	Carnation, pfd.	....	104 bid 104½ asked			
6½	3	25c	...	Catelli Food	....	(4½ bid 5 asked)			
11	7	75c	6.8	Do. pref.	....	(10¾ bid 12 asked)			
2	1¾	.	...	Celtic Knit.	20	1¾	1¾	1¾	1¾
170	170	8	4.7	Cent. Can. L'n.	....	(— bid 175 asked)			
105	98	4	3.8	Chartered Trust	5	102	105	105	105
.95	.25	.	...	Chem. Research	13000	.70	.78	.65	.78
.70	.25	.	...	City Gas & El.	1	.40	.40	.40	.40
.35	.10	.	...	Claude Neon	30	.20	.10	.10	.10
1.35	1.00	12c	9.6	Coast Brew.	2018	1.25	1.30	1.25	1.25
13½	6¾	.	...	Cockshutt Plow	480	9	9½	9	9½
1.85	.90	.	...	Comm. Alcohol	225	1.40	1.45	1.40	1.45
4½	4	40c	8.9	Do. pref.	540	4½	4½	4½	4½
5	4	20c	...	Conduits Nat.	....	(2¾ bid 4 asked)			
17	11½	1	6.2	Cons. Bakeries	230	17	17	16	16
9¾	3½	.	...	Cons. Paper	18063	8½	8¾	7½	8½
15	9	90c	...	Cons. Press	....	(— bid 11¾ asked)			
82½	70	3.50	...	Cons. Sand, pf.	75	78	82½	82½	82½
66¾	45¾	50c+50c	...	Cons. Smelters	3242	65	65½	63¾	65½
199¾	173	10	5.6	Consumers' Gas	167	176	178	176	176½
82	45	.	...	Corr. P. Box, p.	....	(45 bid 50 asked)			
24	16	1+25c	5.2	Cosmos Imp.	20	24	24	23	24
105	101½	5	4.8	Do. pref.	....	(105 bid — asked)			
20	16½	1	5	Crown Cork	230	19	19¾	19½	19¾
2	1½	.	...	Crown Dom. Oil	31	1½	1¾	1½	1¾
39	27	3	9.7	Crow's N. Coal.	455	30	35	30	34
				D					
14	3	40+10c	4	David & Fre. A.	20	13	12	12	12
3.50	.50	.	...	Do. (B)	100	3.00	2.50	2.25	2.50
14½	5	.	...	De Havilland	40	11	11	11	11
80	65	.	...	Do. pref.	30	78	80	77	78
3	3	.	...	Disher Steel	....	(2½ bid 4½ asked)			
*18¾	15½	50c	...	Do. pref.	....	(— bid 15 asked)			
23	11	1.50	...	Distill-Seagram	11624	22½	23	22	23
91	66½	5	5.6	Do. pref.	217	90	91	88	91
..	..	.	...	Dom. Ang. Inv.	....	(— bid 90 asked)			
*95	95	5	...	Do. pref.	....	(77 bid — asked)			
216	189	10	4.7	Dom. Bank	2	212	212	212	212
39	21	1.20	3.4	Dom. Bridge	1622	35½	36	35	35¾
20	15	1.50	8.7	Dom. Coal, pf.	363	18	17½	16¾	16¾
48½	21	50c	...	Dom. Engineer.	25	43	41½	41½	41½
51¾	21	1.30	2.6	Dom. Foundries	3081	46	51¾	45	51½
102	98	6	5.9	Do. pref.	20	99	101	101	101
110	96¾	5	4.5	Dom. Glass	265	107½	110	110	110
150	142½	7	4.7	Do. pref.	....	(145 bid 150 asked)			
32½	30	.	...	Dom. Oilcloth	....	(31½ bid — asked)			
2	2	.	...	Dom. Scot. Inv.	....	(¾ bid 1 asked)			
33	29	2	...	Do. pref.	20	33	30	30	30
16¾	8½	.	...	Dom. St. & C.B.	8597	11¾	12½	11½	12½
8¾	4¾	.	...	Dom. Stores	730	7½	7½	7	7
10	4¾	.	...	Dom. Tar & Ch.	1000	7	7¾	7	7
85	71	5.50	6.9	Do. pref.	....	(77 bid — asked)			
70	58	5	7.7	Dom. Textile	140	65	65	65	65
150	135	7	5	Do. pref.	....	(140 bid — asked)			
8½	3½	.	...	Donnacona P.A.	845	7½	7¾	7	7½
7¾	3½	.	...	Do. (B)	110	7	7	6¾	6¾
8½	4	.	...	Dryden Paper	95	7½	8	7½	8
				E					
1½	¾	.	...	East. Koot. Pr.	....	(— bid 1½ asked)			
12	5	.	...	Do. pref.	....	(8½ bid 16 asked)			
1.35	.55	.	...	East. Dairies	....	(— bid 1.00 asked)			
8	3½	.	...	Do. pref.	....	(5 bid 6½ asked)			
18	12	1	5.5	East. Steel	....	(17 bid 18 asked)			
107	99	7	6.5	Do. pref.	....	(107 Oct. 26)			
54	54	7	12.9	East. Theat. pf.	....	(50 bid 84 asked)			
5	2½	.	...	Easy Washing	....	(3½ bid 3¾ asked)			
32	24	2	...	Economic Inv.	....	(27 bid 30 asked)			
17	11¾	1.60	11.6	Electrolux	643	15½	14½	13½	14½
3½	1½	.	...	Enam. & Heat.	....	(2 bid 2½ asked)			
35	24	2.50	7.8	English Electric	20	31	32	32	32
14	5	.	...	Do. (B)	30	8½	7½	7	7
8	5½	.	...	Equitable Life	15	6½	6½	6½	6½
8	6	60c	...	European El. A.	....	(— bid 7½ asked)			
.10	.01	.	...	Do. Warrants	....	(.01 bid — asked)			
				F					
8½	3	.	...	Fairchild Air.	2420	5¾	6½	5¾	6½
24½	20	45c	...	Fam. Players	....	(— bid 30 asked)			
24½	18	45c	...	Do. Vot. Tr.	4	19½	18	18	18
22	14¾	1+25c	5.7	Fanny Farmer	1089	21½	21¾	21½	21¾
15	4½	.	...	Fleet Aircraft	2100	12	13	12½	12¾
5	3	.	...	Fleury Bissell	....	(4 bid — asked)			
43	30	2.50	..	Do. pref.	....	(40 bid — asked)			
24½	14¾	1	4.3	Ford Motor A	4777	23	23½	22¾	23½
.50	.25	.	...	For. Pr. Secs.	....	(.30 bid — asked)			
16	8½	50c†	...	Foundation Co.	205	13¾	14½	14	14½
20	9	.	...	Fraser Cos.	58	18½	19	17½	18½
21½	10	.	...	Do. Vot. Tr.	1344	19¾	20	19	19½
40	37	.	...	Freiman, pf.	....	(38½ bid — asked)			
				G					
14¾	6½	20c*	...	Gatineau Pwr.	834	14½	14½	14	14½
90	74½	5	5.5	Do. pref.	669	90	90	88	89½
5½	3	.	...	Do. Rights	440	4½	4½	4½	4½
10½	5	.	...	Gen. St. Wares.	1323	9	10	9½	10
93	45	.	...	Do. pref.	284	87½	93	87½	93
73½	52	2.50	3.6	Goodyear Tire	25	72	70	70	70
59	51	2.50	4.5	Do. pref.	59	56	55½	55	55½
13	4¾	.	...	Gt. Lakes Pap.	....	(— bid 8½ asked)			
33	16	.	...	Do. pref.	1794	18	20½	18	19½
10	4½	.	...	Do. Vot. Tr. c	1134	9½	8½	7½	7¾
24½	14	.	...	Do. Vot. Tr. p	365	20	20	19	19½
2½	1	.	...	Gt. W. Saddlery	....	(1½ bid 1½ asked)			
25	18	75c	...	Do. pref.	....	(— bid 22¾ asked)			
12	9½	60c	5.4	Greening Wire.	50	11	11	11	11
..	..	.	...	Growers' Wine.	....	(— bid 1.35 asked)			
8½	5	†30c	...	Gurd, Chas.	40	6½	6½	6½	6½
106	102	7	6.7	Do. pref.	....	(105 bid 108 asked)			
8½	4	.	...	Gypsum, Lime.	905	7½	7	6½	6¾
				H					
9½	5	.	...	Ham. Bridge	15	7½	7½	7	7
53	29	.	...	Do. pref.	40	35	34	33	34
34	27	2+50▲	6.4	Ham. Cot., pf.	....	(— bid 30½ asked)			
1.50	.60	.	...	Ham. U. Theat.	....	.60 bid 1.00 asked			
55	48	6	11.8	Do. pref.	....	(51 bid 55 asked)			
4	2½	20c	...	Harding Carpet	100	3¾	3½	3	3
*5	2½	.	...	Hillcrest Coll.	....	(— bid 2½ asked)			
*25	12	.	...	Do. pref.	....	(1.00 bid 25 asked)			
17½	13¾	1	6.2	Hinde & Dauch	230	16	16	16	16
20	20	.	...	Holt Renfrew	....	(20 May 21)			
50	50	.	...	Do. pref.	....	(— bid 55 asked)			
2.87	1.00	.	...	Home & Ind. P.	25	1.10	1.00	1.00	1.00
.60	.30	.	...	Honey Dew	....	(.25 bid .50 asked)			
14	8	.	...	Do. pref.	70	8	10	10	10
18	9	.	...	H. Smith Pap.	480	16	16	15	15
98	90	6	6.1	Do. pref.	100	98	98	97	97
25	12	1.75	10.3	Humberstone S.	....	(15 bid 17½ asked)			
12	5	.	...	Hunts (A)	....	(— bid 7 asked)			
10	5	.	...	Do. (B)	....	(3 bid 6 asked)			
75	57	4	5.7	Huron & E. Mt.	25	72½	70	69	70
10	6½	80c	...	Do. 20% pd.	7	7¾	8½	8½	8½
4	3	20c	...	Hydro Electric.	17	4	3	3	3
				I					
215	190	10	4.6	Imperial Bank	30	214	215	212	212
19½	14½	50+75c	7	Imperial Oil	10973	17¾	17¾	17¾	17¾
16	13½	40+22½c	4	Imperial Tob.	7307	15¾	15¾	15½	15½
8	6½	6%	...	Do. pref.	1204	8	7½	7	7½
32½	23	2	6.2	Indust. Accept.	170	32	32½	32	32
32	19½	1.25	...	Inter-City Bak.	....	(27½ bid 32 asked)			
43	38	6+2	...	Inter'c Coal	....	(42 bid — asked)			
126	120	8	6.4	Do. pref.	....	(— bid 125 asked)			
23	17	1.50	8.8	Inter. Bronze	38	23	17	17	17
30	23½	1.50	6	Do. pref.	150	25	25½	24½	25
.20	.20	1c	...	Int. Coal & C.	....	(.20 bid — asked)			
b9½	3½	.	...	Int. Hyd. E. A.	13500	8¾	8¾	7¾	8½
9½	4	.	...	Int. Metal Ind.	272	7	7½	6½	7
81½	60	6	7.7	Do. pref.	45	81	80½	77½	77½
80	66	6	7.7	Do. pref. A.	15	80	78	78	78
104	98½	5	4.8	Int. Mill., pf.	120	103	104	103	104
58	37	2	3.5	Int. Nickel	10644	56½	57½	55½	57½
4¾	1¾	.	...	Int. Paints	125	4	3½	3½	3½
15	10	1+25c▲	...	Do. pref.	....	(12½ bid 17 asked)			
b14¾	4½	.	...	Int. Pap. & P.	44600	13½	14¾	13½	14½
b51½	18¾	.	...	Do. pref.	20800	49¾	51½	48½	50¾
31½	22	1.50+1	9.2	Int. Pete.	6255	27	27½	26¾	27
5¾	2	.	...	Int. Power	35	5	5	5	5
85½	71	6	7.6	Do. pref.	65	79½	79½	79	79
11½	10½	1.12	...	Int. St. Rlty. A.	....	(11½ bid 14 asked)			
3¾	3½	.	...	Do. (B)	....	(4 bid 4¾ asked)			
9¾	5	.	...	Int. Util. (A)	45	7½	8	7½	8
1.00	.40	.	...	Do. (B)	960	.80	.80	.65	.80
				J, K, L					
37	22	1.75	5	Jam. Pub. Ser.	25	35	35	35	35
130	121	7	5.6	Do. pref.	5	125	125	125	125
15½	10	75c	...	Kelvinator	15	14	14	14	14
34	13	.	...	L. St. John Pr.	155	28	27½	26	26
13	2	.	...	Lake Sulphite	433	3½	3½	3¾	3½
18½	10	.	...	Lake of Woods.	640	17½	17	16¾	17
120	100	7	6.4	Do. pref.	....	(110 bid 125 asked)			
65	55	5	8.8	Landed Bank	....	(56 bid 62½ asked)			
14	9	70c	5.2	Lang, J. A.	50	14	13½	13½	13¾
3	2½	.	...	Langley's	....	(— bid 4 asked)			
30	30	2.50▲	...	Do. pref.	....	(30 bid 42 asked)			
14½	13¾	20c	...	Laura Secord n.	4647	14	14½	13½	13¾
11	7	.	...	Legare, pref.	....	(— bid 9½ asked)			
5	2½	.	...	Lindsay, C. W.	33	3½	4	4	4
*78	60	4▲	...	Do. pref.	....	(— bid 65 asked)			
24½	19½	1+25	5.1	Loblaw (A)	1031	24	24½	23¾	24½
22¾	18	1+25	5.5	Do. (B)	765	22½	22¾	22½	22½
				M					
1.40	.40	.	...	Mackenzie Air.	850	.85	.75	.60	.60
3	2½	.	...	MacKin. Steel	....	(2 bid — asked)			
70	65	5.25	...	Do. pref.	....	(65 bid 75 asked)			
17	7	.	...	Maclaren Pr. p.	500	14½	15	14¾	15
4	2½	.	...	M. L. Gardens	....	(3½ bid 5 asked)			
7½	4	.	...	Do. pref.	....	(6¾ bid 7½ asked)			
3½	1½	.	...	Maple Leaf	1248	2	2	1½	1¾
6	2½	.	...	Do. pref.	205	4½	4½	3¾	3¾
15¾	15¾	70c	4.4	Maritime Tele.	....	(16½ bid — asked)			
*16¾	16	70c	...	Do. pref.	....	(17 bid — asked)			
15	15	.	...	Marcus Loew's.	....	(12½ bid — asked)			
115	115	7▲	...	Do. pref.	....	(115 Sept. 9)			
10½	4¾	.	...	Massey-Harris	2431	7¾	7¾	7	7¾
63	28	.	...	Do. pref.	968	54½	57	54	55½
14	7¾	.	...	McColl Fron.	1516	7½	8½	7½	8
101	83	6	6.3	Do. pref.	312	95½	96	94½	95
2.63	1.25	.	...	Melchers	25	1.50	1.50	1.50	1.50
7	5	60+20c	...	Do. pref.	110	6½	7	6½	6¾
2½	2½	.	...	Mercury Mills	....	(— bid 2 asked)			
19½	5	.	...	Do. pref.	10	7	8½	8½	8½
50	50	2	4	Mitchell, J. S.	....	(50 bid — asked)			
112	109	7	6.2	Do. pref.	....	(112 bid — asked)			
21	7½	.	...	Mitchell, Robt.	2620	17½	19	17	18½
*5½	4	.	...	Monarch Knit.	....	(— bid 2 asked)			
*86	50½	.	...	Do. pref.	....	(— bid 31 asked)			
35	35	2	5.7	Montreal Cot.	....	(— bid 40 asked)			
106	95	7	6.9	Do. pref.	32	96	103	101	103
1.00	.70	.	...	Mont. Is. Pr.	....	1.00 bid 2.25 asked			
31	25¾	1.50	4.9	Mont. L. & Pr.	3800	30½	30½	29½	30¾
29	27	2	7.4	Montreal Loan	....	(27 Oct. 20)			
1.50	1.00	.	...	Mtl. Refrig. & S	....	(1.00 bid — asked)			
14	13½	.	...	Do. pref.	....	(14 bid — asked)			
62	55¾	3.20	5.4	Montreal Tele.	10	59	60	60	60
90	68	9	12.3	Montreal Trams	88	73	73	73	73
38½	25	1.60+40c	5	Moore Corp.	1145	38¾	38¾	37	37
172	135	7	4.2	Do. pref. (A)	41	166	166	166	166
230	179½	7	3	Do. pref. (B)	7	230	230	230	230
.50	.10	.	...	Muirheads	....	(.15 bid .50 asked)			
4	3	.	...	Do. pref.	50	3	3	3	3
				N					
43	34	2	4.8	Nat. Breweries.	2406	42	42	41½	42
44	38	1.75	4	Do. pref.	276	44	44	44	44
7½	3¾	.	...	Nat. Grocers	630	6½	6½	5¾	6
126½	115	7	5.8	Do. pref.	....	(121 bid 130 asked)			
20	10	.	...	N. Sew. Pipe A.	50	12½	12¾	12¾	12¾
70½	31	2	2.9	Nat. Steel Car	24039	61½	70½	62	69½
210	190	8	4.2	National Tr.	4	195	190	190	190
34	20	1	4	Niag. W. Weav.	....	(26 bid 28 asked)			
1.50	1.00	.	...	North Star Oil.	....	1.00 bid 1.50 asked			
3½	3	35+8¾c▲	11	Do. pref.	....	(3½ bid 3½ asked)			
96	93	6	6.2	N. S. L. & Pr.	....	(95¾ bid — asked)			
106	104	6	5.7	Do. pref.	1	106	105	105	105
15	9	.	...	N. S. Steel, pf.	....	(13 Aug. 11)			
				O					
31	23	1	3.4	Ogilvie Flour	277	30	29¾	29½	29½
158	145	7	4.4	Do. pref.	10	154½	157	157	157
109	103¾	5	4.6	Ontario Loan	20	107	109	109	109
*7½	4½	.	...	Ont. Silknit	....	(— bid 5½ asked)			
19	17	.	...	Do. pref.	15	19	17	17	17
12	5	.	...	Ont. Steel	....	(8½ bid 10 asked)			
114	95	7	6.7	Do. pref.	....	(105 Oct. 31)			
2	1	.	...	Orange Crush	6	1½	1½	1½	1½
6	3	70c	12.2	Do. pref	....	(4¾ bid 5¾ asked)			
55	24	†1	...	Ottawa Car	....	(45 bid — asked)			
36	8	.	...	Ottawa El. Rly.	....	(8 bid 15 asked)			
87	76½	6	7.4	Ott. L. H. & Pr.	25	80½	80½	80	80
101½	97	5	5.2	Do. pref.	10	97	98	98	98
				P, Q, R					
20	10	.	...	Pacific Coyle	....	(10 Apr. 11)			
103	77½	4+25c	4.1	Page Hersey	134	101½	103	101	101
7½	4	.	...	Pantepec Oil	585	5	5½	5½	5½
16	15	.	...	Paton Mfg.	....	(4½ bid — asked)			
100	100	7	7	Do. pref.	....	(100 Sept. 6)			
55	42	3	6.5	Penmans	82	45	46	45	46
130	122	6	4.6	Do. pref.	25	128	130	130	130
19	15	1	5.6	Photo Eng.	100	18	18	18	18
99¾	95½	7	7.2	Porto Rico Pr. p	....	(— bid 98 asked)			
16¾	9	†30c	...	Power Corp.	530	14½	14½	13½	14
101	92	6	5.9	Do. pref.	63	101	101	100	101
45	43½	3	6.7	Do. 2nd pref.	150	45	45	45	45
23	10	.	...	Pressed Metals.	80	21½	21½	21½	21½
22¾	8¾	.	...	Price Bros.	2279	20½	21½	19¾	20¾
63	34	.	...	Do. pref.	360	61½	61	60	60
7½	5½	20c	3	Prov. Transport	390	6½	6¾	6½	6¾
19	14	1	5.8	Quebec Power	280	17½	17½	17½	17½
4½	3¾	.	...	Quebec Tele.	20	4½	4½	4½	4½
40	37	2	5.4	Real Estate L'n.	....	(35 bid 40 asked)			
9¾	3	.	...	Regent Knit.	20	5½	5	5	5
25	22	1.60	7	Do. pref.	....	(20 bid 22 asked)			
2¾	1½	30c	...	Reinhardt Brew.	70	1¾	2	2	2
7½	3	.	...	Reliance Grain.	30	5½	5	5	5
12½	10½	90c+*1%	...	Remington R'd.	....	(12½ Apr. 20)			
27	18	2	7.7	River. S. Mill.	140	26½	26½	26	26
4½	2	.	...	Rogers Majest.	50	3	2¾	2¾	2¾
16	14½	1	6.2	Rolland Pap.	....	(16 June 25)			
18	10½	.	...	Do. Vot. Trust	....	(13 bid 15 asked)			
102½	95	6	6.1	Do. pref.	....	(99½ bid 100 asked)			
192	165	8	4.2	Royal Bank	191	190	191	188	190
70	63	6	...	Russell Indust.	....	(68 bid — asked)			
115	103	7	6.1	Do. pref.	....	(110 bid 115 asked)			
				S					
103	95	5.50	5.4	Saguenay Pr. p.	65	101½	102	101½	102
11	6½	.	...	Sarnia Br. (A).	....	(6 bid 6½ asked)			
5	4	.	...	Do. (B)	....	(3 bid 6 asked)			
23	16	60+5c	4.1	Shawinigan Pr.	2144	20½	21	20	20¾
17	10	.	...	Sher. Wms.	95	13½	14	13½	14
120	100½	7	6.3	Do. pref.	....	(111 bid 115 asked)			
2.50	.50	.	...	Silverwoods	10	1.75	1.75	1.75	1.75
4	1½	40c	10.7	Do. pref.	370	3½	3¾	3¾	3¾
10½	7½	95c	...	Simon & Son	300	9	8½	8	8
110	110	7	6.4	Do. pref.	....	(— bid 110 asked)			
18	8	.	...	Simpson, A.	....	(11¾ bid 13 asked)			
8½	2½	.	...	Do. (B)	....	(4½ bid 8 asked)			
95	70	5+1▲	5.9	Do. pref.	108	82	84	84	84
118	105	6	5.1	Simpson, R., pf.	....	(114 bid 117 asked)			
15	10	80c	6.4	So. Can. Pr.	80	12	12½	12	12
109	103	6	5.7	Do. pref.	51	107¾	108	107	108
6½	2¼	.	...	St. Law. Corp.	1350	5¾	5¾	5½	5½
20	8½	.	...	Do. (A)	880	18½	18½	17	18
24½	17	1	4.1	St. Law. Flour.	300	22	24½	22	24
140	140	7	5	Do. pref.	....	108½ bid 130 asked			
58½	24	.	...	St. Law. Pap. p.	726	51	51½	50	50
8	3½	.	...	Stand. Chem.	....	(6 bid 8 asked)			
*14½	8	.	...	Stand. Clay	....	(3 bid 10 asked)			
4½	2	.	...	St. Pav. & Mat.	161	2½	2¾	2½	2¾
28½	12	.	...	Do. pref.	90	26	26½	26	27¾
42	40	3+75c▲	7	Stand. Steel, pf.	....	(— bid 45 asked)			
17¾	16	60+20c	5	Stedman Bros.	25	16	16¾	16¾	16¾
75¾	56	1.75‡	5	Steel of Can.	790	74½	75	74	74½
70	55	1.75	2.5	Do. pref.	270	68½	68½	67	68
5	4	.	...	Sterling Coal	....	(4 bid 5 asked)			
.75	.10	.	...	Stop & Shop	....	(.15 bid .35 asked)			
10	10	80c	8	Stuart, D. A. pf.	....	(— bid 10 asked)			
2½	1½	.	...	Supersilk H. A.	....	(2½ bid 3 asked)			
3¾	2	.	...	Do. (B)	8	3	3	2	3
79¾	70	5	6.6	Do. pref.	20	75	76	76	76
39	31	1+50c	3.9	Sup. Pete. ord.	90	38	38	38	38
36	30	1+50c	4.4	Do. com.	....	(36½ bid — asked)			
				T					
16	11	80c	6.7	Tamblyn	30	12½	12	12	12
52½	52	2.50	4.7	Do. pref.	....	(52½ bid — asked)			
4	2	.	...	Thayers	....	(4 bid — asked)			
27	20	3.50	...	Do. pref.	....	(26 bid 39½ asked)			
.50	.25	.	...	Thrift Stores	....	(.10 bid — asked)			
2	1	.	...	Do. pref.	....	(½ bid — asked)			
13½	9	60+10c	6	Tip Top Tailors	25	12	11½	11½	11½
109	100	7	6.4	Do. pref.	9	108	109	105	109
3	2	.	...	Tooke Bros.	....	(— bid 2½ asked)			
15	7½	.	...	Do. pref.	....	(6¾ bid 7½ asked)			
18½	11	.	...	Tor. Elevators	310	16	16½	16	16½
48	40	2.62½	6.2	Do. pref.	155	40	41	40	41
90	73	4	4.7	Tor. Gen. Tr.	3	90	85	85	85
122	107	6	5.5	Toronto Mtge.	6	107	108	108	108
160	140	7	4.4	Tuckett Tob. p.	40	156	160	157	157
4½	4	.	...	Twin City	....	(— bid 5 asked)			
				U, V					
15½	10½	80c	6	Union Gas	1925	13½	13½	13	13½
17½	12½	30c	...	Un. Amuse. A.	....	(12 bid — asked)			
13	13	30c	...	Do. (B)	....	(9 bid — asked)			
1.15	.75	5c	...	United Distill.	....	(.75 bid — asked)			
43	30	2▲	...	United Fuel, pf.	280	42	42¾	41½	41¾
18¾	6	.	...	United Secs.	58	8½	8½	7¾	8½
7½	3	.	...	United Steel	25110	6½	7½	6½	7½
3	1½	.	...	Viau Bisc.	160	2¾	3	2¾	3
50	45	5	11.1	Do. pref.	....	(45 bid 50 asked)			
				W, Y					
20	12	1+15c	7.3	Wabasso Cot.	15	15¾	15¾	15¾	15¾
54½	30½	4	7.4	Walker-Good.	17959	49¾	54½	49½	53
20	17	1	5.1	Do. pref.	1371	19¾	19¾	19¾	19¾
2.15	1.10	10c	...	Walkerville Br.	185	1.40	1.50	1.30	1.35
2.50	1.00	.	...	Waterloo Mfg.	10	1.50	1.50	1.50	1.50
125	123½	7	5.6	W. Koot. Pr. pf	....	(125 bid — asked)			
5	2	.	...	West. C. Flour.	10	3	3¾	3¾	3¾
37	22	.	...	Do. pref.	30	30	29½	28	28
65	49½	3	5.3	West. Grocers	4	50	57	57	57
116	106½	7	6	Do. pref.	....	(105 bid 116 asked)			
13½	9	80c	6.2	Weston Ltd.	2180	12¾	13	12¾	12¾
91	70	5	5.5	Do. pref.	20	90	91	90	90
4.00	.20	.	...	Windsor Hotel	....	(.15 bid — asked)			
8	3	.	...	Do. pref.	10	5	3	3	3
3½	1½	.	...	Winnipeg El. A.	307	2	2½	2	2½
3	1	.	...	Do. (B)	169	2	2	1½	2
17	7	.	...	Do. pref.	20	13	11½	10½	11½
93	65	7	...	Wood, A. & J. p	....	(65 bid 69 asked)			
50	30	.	...	Woods Mfg., pf.	....	(30 Oct. 18)			
4½	3½	.	...	York Knitting	....	(4 bid — asked)			

* 1937.
▲ On account of arrears.
b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1938.
† Interim.
● Initial.
* Stock bonus.

Mining Stocks

Par Val.	Range 1938 High	Low	Company	Sales	Close Oct. 31 (or last)	High for week	Low for week	Close Nov. 7
			A					
1	.07	.01	Afton	13,000	.04	.04½	.04	.04½
No	.70	.28	Aldermac	40,806	.58	.60	.54	.60
1	.03½	.01	Alexandria	7,500	.01½	.01½	.01	.01
1	.33	.07	Amm. Gold	32,400	.14½	.15	.13	.13½
No	4.15	2.60	Anglo-Huronian	674	3.40	3.40	3.15	3.15
No	.02½	.01	Arno	1,200	.02	.02	.01½	.02
1	.33	.11	Arntfield	2,000	.14	.14	.14	.14
1	.16½	.05	Ashley	11,600	.11½	.12½	.11½	.12½
1	.06	.02	Astoria Rouyn	2,050	.04	.04½	.03¾	.04¾
1	.44	.17	Augite Porc.	36,200	.33	.35	.32½	.33½
50c.	.14	.04	Aztec	100	.05	.05	.05	.05
			B					
1	.27	.12	Bagamac	3,000	.14	.14	.12½	.14
1	1.03	.32	Bankfield	18,300	.36	.36	.34	.35
1	.45	.20	Base Metals	6,800	.33	.34½	.32	.34
No	1.50	.95	Beattie Gold	41,700	1.25	1.50	1.22	1.33
1	.39	.16	Bear Exploration	68,410	.34	.34½	.28½	.33½
1	.32	.10	Beaufor	2,000	.15	.15	.14	.15
1	.50	.20	Bidgood Kirk.	29,700	.29	.30	.27½	.28
1	.58	.20	Big Missouri	14,102	.33	.30	.25	.28½
1	.31½	.07	Bobjo	504,500	.24½	.31½	.24½	.31½
1	.15	.05½	Bouscadillac G.M.	14,400	.11	.13	.12	.12
No	10.25	7.75	Bralorne	3,364	9.50	9.70	9.45	9.70
1	.08	.03	Brazil Gold	......	(.07 bid .08 asked)			
1	.12	.01½	Brett Trethewey	44,500	.02	.02	.01½	.01½
1	.69	.52	Broulan Porc.	37,300	.59	.62	.52	.53
1	.10	.02½	Brownlee	10,500	.05	.06	.05	.06
1	17.50	10.87	Buffalo Ankerite	1,050	14.00	14.25	14.00	14.00
No	.06½	.01½	Buffalo Can.	10,000	.02½	.03	.02½	.02½
5	30.25	24.00	Bulolo Gold	3,792	26.00	26.00	24.00	24.00
No	.22	.07½	Bunker Hill	5,100	.11½	.11½	.10½	.11
			C					
No	1.28	.65	Can. Malartic	8,350	.88	.88	.85	.87
1	.09½	.02	Capital Rouyn	11,500	.03½	.03½	.02½	.02½
1	2.60	1.65	Cariboo Gold	50	2.31	2.45	2.45	2.45
1	.15	.05	Cartier Malartic	......	(.06½ bid .08 asked)			
1	1.19	.53	Castle Trethewey	2,712	1.10	1.06	1.05	1.05
1	.62	.18	Cen. Cadillac	14,800	.23	.24	.22	.22
1	3.20	1.85	Cen. Patricia	4,281	2.40	2.55	2.41	2.45
1	.15	.05½	Cen. Porcupine	5,200	.08½	.09	.08½	.09
1	1.73	.63	Chesterville	116,750	1.22	1.42	1.16	1.39
No	.82	.35	Chromium	5,950	.70	.70	.64	.65
5	4.00	1.25	Coast Copper	1,070	2.90	2.85	2.75	2.75
5	2.25	1.25	Coniagas	20	1.70	1.50	1.50	1.50
No	1.84	1.00	Coniaurum	14,897	1.30	1.60	1.35	1.52
1	.42	.19	Con. Chibougamau	6,260	.27	.28	.20	.27
25	66.75	45.37	Cons. Smelters	3,242	65.00	65.50	63.75	65.25
			D, E					
1	.23½	.05	Darkwater	2,800	.08	.08	.07	.08
1	.46	.10	Denison Nickel	6,600	.20	.20	.17	.20
No	35.00	27.50	Dome Mines	4,472	32.25	33.00	32.50	32.50
1	.07	.02½	Dom. Explorers	500	.03½	.03½	.03½	.03½
1	.26	.05	Dorval Siscoe	21,600	.13	.13	.10½	.11
1	.13	.03	Duparquet	196,650	.11	.13	.07	.09
1	2.39	1.05	East Malartic	40,875	2.18	2.24	2.15	2.20
1	3.25	1.38	Eldorado	101,593	2.15	2.42	2.11	2.40
			F, G					
No	6.95	4.25	Falconbridge	1,540	5.60	6.00	5.60	5.90
1	.26	.13	Faulkenham L.	25,000	.17	.21	.17	.17
1	.14	.03½	Federal	59,600	.07½	.09½	.07½	.09
1	.30	.08	Fernland	5,400	.18	.18	.16	.16
1	.20	.03	Fontana	7,500	.07	.06½	.06	.06
No	.53½	.20	Francoeur Gold	5,200	.23	.25	.22	.25
1	.32	.07	Gillies Lake	96,300	.12	.14	.12½	.13½
1	.05	.02	Glenora	4,000	.03	.03½	.02½	.02½
No	.68	.30	God's Lake	13,250	.39	.39	.35	.35
1	.40½	.14	Goldale	14,900	.20½	.22	.19½	.22
50c.	.50	.30	Gold Belt	......	(.48 bid .... asked)			
1	.40	.09	Gold Eagle	21,000	.12	.13½	.11	.11½
1	.12	.02	Goodfish	4,500	.03	.03½	.03	.03½
1	.09½	.02½	Graham Bosquet	9,500	.06	.06	.05	.05
1	.14	.04	Granada Gold	62,933	.10½	.12	.09½	.11½
No	.11	.04½	Grandora	15,000	.06½	.06½	.05½	.05½
1	.10	.02½	Grull Wihksne	......	(.01½ bid .05 asked)			
1	1.09	.48	Gunnar Gold	5,450	.68	.65	.62	.64
			H, I, J					
1	.04½	.02	Halcrow Swayze	1,500	.03½	.02½	.02½	.02½
1	2.93	1.10	Hard Rock	21,470	1.90	1.90	1.75	1.80
1	.17	.07	Harker	20,200	.10½	.11	.09½	.11
1	1.40	1.00	Hedley Mascot	420	1.25	1.26	1.10	1.10
5	15.87	11.00	Hollinger	3,700	15.00	15.25	15.00	15.25
1	.34	.20	Howey Gold	10,700	.26	.26	.24	.25
No	34.50	20.50	Hudson Bay	4,443	33.12	34.25	33.00	34.12
1	.49	.21	Inspiration	6,600	.32	.35	.30	.30
1	11.70	7.00	Inter. Mining	23	9.12	8.75	8.75	8.75
No	58.00	37.00	Int. Nickel	10,644	56.25	57.50	55.50	57.25
1	.40	.10	Jacola	13,233	.14	.13½	.12	.12½
1	.60	.23	Jack Waite	1,900	.37½	.40	.35	.35
1	.82	.14	Jellicoe	119,870	.17	.17	.14	.14½
1	.17	.05	J. M. Cons. Gold	9,563	.09½	.10	.08½	.08½
			K, L					
1	2.50	1.25	Kerr Addison	45,789	1.78	1.80	1.65	1.80
1	1.00	.35	Kerr Lake	500	.46	.51	.51	.51
1	.28	.06	Kirk. Gold Rand.	1,600	.11	.11	.11	.11
1	1.50	.26	Kirk. Hud. Bay	800	.60	.60	.57	.60
1	1.50	.88	Kirkland Lake	11,735	1.30	1.30	1.25	1.26
1	.23	.09	Kirk. Townsite	5,000	.12	.13	.12	.12
1	.59	.10	Laguna	29,427	.14½	.14	.10	.12
1	58.75	44.75	Lake Shore	4,194	50.25	51.50	50.37	51.00
1	.06	.02	Lamaque Contact	16,700	.02½	.03	.02½	.03
1	.74	.24	Lapa Cadillac	17,950	.34	.35	.32	.35
1	1.13	.80	Lava Cap.	1,500	.87	.90	.85	.85
1	.15	.04	Lebel Oro	70,000	.13½	.14	.11	.13½
1	1.12	.50	Leitch Gold	7,250	.73	.70	.67	.70
No	6.00	2.10	Little Long Lac	17,175	2.75	2.85	2.77	2.79
			M					
1	5.55	3.80	Macassa	9,145	5.10	5.40	5.05	5.35
No	4.45	1.30	MacLeod Cockshutt	17,540	3.35	3.40	3.10	3.25
1	.57	.25	Madsen Red Lake	19,600	.47	.50	.45	.46
1	.55	.23	Malartic Gold	64,800	.47	.52½	.48	.50
1	.02	.00½	Malrobic	7,000	.01½	.01½	.01	.01½
No	.28	.10	Mandy	1,545	.19	.16	.15	.16
No	.04	.01½	Man. & Eastern	3,000	.01½	.01½	.01½	.01½
1	.19½	.06½	Maralgo	4,615	.07½	.07½	.06½	.07
5	54.00	35.50	McIntyre	1,709	51.12	52.00	51.00	51.75
1	1.43	.69	McKenzie R. L.	21,995	1.33	1.40	1.27	1.35
No	.94	.30	McWatters	44,200	.88½	.88½	.80	.85
1	.24	.09	MeVittie	15,900	.11½	.12	.11	.12
5	.70	.30	Mentor Exploration	......	(.45 bid .... asked)			
No	2.65	1.45	Mining Corp.	8,524	2.30	2.40	2.30	2.38
No	.04½	.02½	Minto Mines	......	(.03 bid .03½ asked)			
1	.03	.01	Moffatt Hall	......	(.01½ June 7)			
1	2.56	1.00	Moneta	60,735	1.26	1.29	1.11	1.25
1	.20	.05	Montague	......	(.07 bid .... asked)			
1	.19	.04	Morris Kirk	13,054	.07	.07	.05	.07
1	.03½	.01½	Murphy	3,500	.02	.02	.02	.02
			N, O					
1	.79	.13½	Naybob	17,500	.47	.50	.45	.45
No	.11½	.02	Newbec	18,200	.05	.05½	.04½	.04½
1	.38	.10	New Golden Rose	2,700	.17	.17	.15	.17
5	2.15	1.40	Nipissing	3,100	1.60	1.80	1.70	1.73
No	82.00	48.00	Noranda	27,210	79.25	82.00	78.50	81.87
No	.48	.23	Nor. Canada	480	.48	.46	.45	.45
1	8.95	7.00	North Empire	500	8.50	8.40	8.40	8.40
1	.07½	.02	Norgold	28,200	.04½	.07	.04½	.06½
1	1.14	.45	Normetal	9,186	.80	.85	.70	.85
1	5.45	2.10	O'Brien	9,140	2.90	3.05	2.70	2.95
1	.72	.30	Omega	11,039	.58	.59	.53	.56
1	1.45	.30	Oro Plata	25,850	.36	.49	.35	.45
1	.17	.05	Osisko	2,000	.15	.17	.13	.17
			P					
No	4.85	2.90	Pamour	9,985	4.55	4.70	4.55	4.70
1	.63	.14	Pandora	9,310	.23	.23	.21	.21
1	2.70	1.55	Pato Cons. G.	3,400	2.00	2.25	2.25	2.25
1	.24½	.04½	Partanen Mal.	28,700	.07½	.07½	.04½	.05½
1	.22	.03¾	Paulore	9,200	.05½	.06	.05	.05½
1	.02	.01	Pawnee Kirk.	......	(.01½ bid .01¾ asked)			
1	.69	.38	Paymaster	42,146	.56	.60	.55	.58
1	.23	.08	Payore	15,400	.11	.11	.09	.10
1	2.65	1.30	Pend Oreille	6,780	2.05	2.12	1.99	2.12
1	1.77	.98	Perron Gold	22,045	1.36	1.60	1.35	1.45
1	.01½	.00½	Peterson Cobalt	1,000	.01	.01½	.01½	.01½
1	5.30	3.80	Pickle Crow	4,555	5.10	5.15	5.00	5.15
1	3.30	2.20	Pioneer Gold B.C.	18,690	2.55	2.51	2.25	2.46
1	17.25	13.25	Placer Devel.	30	15.00	15.50	15.50	15.50
1	2.65	1.37	Powell Rouyn	13,529	2.35	2.40	2.25	2.40
1	2.52	1.75	Premier Gold	5,630	2.25	2.29	2.24	2.24
1	1.93	.67	Preston E. Dome.	99,222	1.45	1.54	1.45	1.50
No	.98	.50	Prospectors Air's.	......	(.61 bid .... asked)			
			Q, R					
1	.70	.35	Quebec Gold	400	.55	.55	.55	.55
No	.15	.04	Quemont	200	.12	.10	.10	.10
1	4.55	2.50	Read Authier	10,836	3.50	3.70	3.45	3.60
1	.45	.05	Red Crest	2,700	.08	.07½	.07	.07
1	.65	.23	Reno Gold	30,350	.30	.30	.23	.23½
1	.55	.25	Reeves McD.	......	(.... bid .40 asked)			
1	.07½	.03½	Reward	700	.07½	.05	.05	.05
1	.03	.01½	Ritchie	......	(.02½ Oct. 12)			
1	.02½	.01	Robb Montbray	4,000	.01	.01	.01	.01
1	.24	.06	Roche Long Lac	8,700	.09	.09	.08½	.09
1	.24½	.22	Ronda Gold	21,300	.24	.24½	.22	.24½
			S					
1	1.55	1.00	San Antonio	6,896	1.20	1.30	1.15	1.25
1	.25	.13½	Sand River	1,500	.19½	.20	.17	.18
1	.34	.03½	Shawkey	16,600	.05	.05	.04½	.04½
50c.	1.21	.75	Sheep Creek	200	.90	.90	.88	.88
1	1.90	.90	Sherritt Gordon	39,344	1.52	1.60	1.45	1.55
1	3.40	1.40	Siscoe	43,431	1.68	1.66	1.47	1.52
1	1.39	.49	Sladen Malartic	19,800	.72	.73	.67	.73
1	.24	.06	Slave Lake	9,200	.08	.08½	.07	.07½
No	.78	.28	Stadacona	155,237	.52	.58	.52	.55
1	.20	.07½	St. Anthony	22,000	.17½	.18	.16	.16
No	.15½	.05	Straw Lake	26,700	.10	.10	.09	.09½
No	3.80	1.65	Sudbury Basin	1,060	2.85	2.95	2.80	2.80
1	.19	.08½	Sudbury Contact	1,400	.10	.10½	.09	.10
1	1.25	.65	Sullivan Cons.	10,275	.96	.97	.91	.92
1	3.60	2.50	Sylvanite	20,505	3.15	3.45	3.15	3.55
			T, U, V, W, Y					
1	5.70	4.15	Teck Hughes	14,822	4.65	5.00	4.65	4.80
1	.25	.06	Temiskaming	500	.11	.10	.10	.10
1	.38	.17	Thomp Cadillac	41,550	.33	.36	.31	.35
1	2.90	1.50	Toburn Gold	......	(2.00 bid 2.10 asked)			
1	.67	.25	Towagmac	1,325	.45	.43	.35	.41
1	2.45	.90	Uchi Gold	9,805	1.47	1.50	1.40	1.50
No	7.40	3.95	Ventures	2,055	5.55	5.85	5.55	5.70
No	9.25	1.02	Waite Amulet	87,494	8.30	9.25	8.30	9.00
1	.20	.08	Wendigo	24,500	.13½	.17½	.13½	.17
No	.03½	.00½	White Eagle	2,500	.01½	.01½	.01	.01
1	.08	.02	Whitewater Mines	......	(.05 bid .06 asked)			
1	.18	.03	Wiltsey Coughlan	46,300	.10½	.11½	.09½	.09½
1	.43	.13	Wood Cadillac	354,124	.18	.27½	.19	.26
No	8.20	6.50	Wright-Hargreaves	18,197	7.75	7.85	7.70	7.80
No	.30	.09	Ymir Girl	5,600	.11	.11	.10	.11

Oil Quotations

Par Val.	Range 1938 High	Low	Company	Sales	Close Oct. 31 (or last)	High for week	Low for week	Close Nov. 7
No	.12	.06	Acme Gas & Oil	100	.07½	.06¾	.06¾	.06¾
1	.37	.12½	Alta. Pac. Cons.	480	.16	.15	.15	.15
1	.32	.13	Ajax	100	.15	.18	.18	.18
No	1.65	.95	Anglo Canadian	4,750	1.22	1.22	1.10	1.21
1	.15	.05	Anaconda	500	.06	.06	.06	.06
1	.16	.05	Br. Dominion	......	(.07 bid .10 asked)			
No	.68½	.20	Brown Oil	11,700	.26	.26	.23½	.25
100	72.00	46.00	Do., pref.	......	(65.00 bid 75.00 asked)			
No	3.10	1.55	Calgary & Ed.	12,133	2.35	2.35	2.15	2.20
1	.62	.19½	Calmont	1,300	.31	.29	.26	.26
No	.85	.50	Commoil	1,100	.55	.55	.53	.55
No	.43	.19	Common Pete	300	.24	.25	.25	.25
No	.70	.33	Dalhousie	7,175	.40	.40	.33	.40
No	.73	.20	Davies Pete	6,600	.27½	.26	.24	.25
No	.15	.05	East Crest	13,010	.09½	.09½	.08½	.09½
25c	.25	.09	Firestone Pete	3,150	.10	.09½	.09	.09
No	.90	.30	Foothills	2,900	.50	.55	.50	.50
No	.22	.08	Foundation Pete.	1,700	.12	.13	.11	.11
No	.35	.14	Hargal	......	(.18 bid .25 asked)			
No	.20	.05	High Sarcee	100	.13	.12	.12	.12
No	1.47	.80	Home	1,880	1.17	1.16	1.06	1.10
1	.37	.14	Homestead O.&G.	48,100	.28½	.30	.26	.27
No	.27	.10	McD. Segur	300	.13½	.12	.12	.12
No	.08	.04	Merland	1,500	.05	.05	.04	.05
1	.38	.18	Model	......	(.17 bid .25 asked)			
25c	.20	.08	Monarch Royalties	3,600	.10½	.10	.08	.08
1	.20	.04	Nordon	900	.09	.09½	.07	.09½
No	.04½	.02	Oil Selections	......	(.02½ bid .03½ asked)			
No	2.30	.85	Okalta	32,745	1.50	1.45	1.10	1.15
No	.05¾	.02	Olga Gas & Oil	58,300	.02½	.02½	.02	.02½
1	.17	.04½	Pacalta	4,000	.06½	.06½	.05	.05½
1	.50	.30	Petrol Oil & Gas	......	(.30 bid .50 asked)			
25c	.52	.20½	Prairie Royalties	1,500	.22	.22	.21	.21
No	49.00	32.50	Royalite	1,312	40.50	42.00	40.00	41.00
No	.75	.25	South West Pete	......	(.30 bid .60 asked)			
No	.10	.02	South End	10,500	.03	.04	.03½	.04
1	.14	.14	Spooner	......	(.07 bid ... asked)			
25c	.25	.03	Spy Hill Royalties	2,000	.03½	.03	.03	.03
No	1.68	1.05	Texas Can.	7,400	1.38	1.41	1.35	1.41
No	.26	.09	United Oils	......	(.09 bid ... asked)			
No	1.25	.47	Vulcan	200	.60	.70	.70	.70
No	.34	.05	West Flank	......	(.05½ bid .09 asked)			
50c	.15	.07	West Turner Pete	14,300	.08½	.09½	.09	.09½

Vancouver Stock Exchange

Par Val.	Range 1938 High	Low	Company	Sales	Close Oct. 31 (or last)	High for week	Low for week	Close Nov. 7
50c	.14	.04½	Aztec	13,000	.05½	.08	.06	.06½
1	.58	.23	Big Missouri	8,650	.31½	.30½	.27	.29
25c	.02½	.01½	Bluebird	......	(.01½ bid .02 asked)			
No	10.10	7.75	Bralorne	2,542	9.50	9.70	9.40	9.70
1	.04½	.01	Bridge River Cons.	3,00	.02	.03	.02½	.02½
1	2.60	1.68	Cariboo Gold	1,055	2.40	2.40	2.38	2.40
No	.13	.02½	Dentonia	13,000	.02½	.02½	.02½	.02½
1	.09	.01	Dunwell	2,000	.02	.02	.02	.02
No	.10½	.02	Fairview Amal.	19,700	.05½	.06	.05	.05
1	.02½	.01	Federal Gold	1,000	.01	.01½	.01½	.01½
1	.50	.25	George Copper	100	.40	.33	.33	.33
50c	.03½	.02	George Enterprise	......	(.03 Sept. 13)			
1	.10	.03½	Golconda	1,000	.07½	.07	.07	.07
50c	.50½	.29	Gold Belt	7,300	.50½	.50	.48	.48
50c	.06½	.01	Gold Mountain	2,900	.01½	.03	.02½	.02½
50c	.12	.04	Grand View	4,616	.08½	.09½	.08½	.09½
1	.11	.01½	Grull Wihksne	4,500	.02½	.02½	.02	.02½
1	1.30	1.00	Hedley Mascot	33,700	1.25	1.30	1.22	1.30
No	.05½	.00½	Hedley Sterling	......	(.00½ bid ... asked)			
No	.02	.00½	Home Gold	......	(.01 bid .01½ asked)			
1	.02½	.01½	Indian Mines	500	.01½	.01½	.01½	.01½
50c	1.40	.72	Island Mountain	1,600	1.25	1.25	1.15	1.15
1	.28	.20	Inter'tl Coal	1,350	.28	.25½	.25½	.25½
50c	1.45	.90	Kootenay Belle	2,450	1.35	1.45	1.38	1.43
10c	.04½	.01½	Lucky Jim	42,500	.02½	.02½	.02½	.02½
No	.02½	.01	Mak Siccar	......	(.01 bid .02 asked)			
10c	.80	.52	Metaline Mining	......	(.65 bid .75 asked)			
1	.23	.19	McGillivray Creek	......	(.23 bid ... asked)			
No	.05½	.02	Minto Mines	1,900	.03½	.03½	.03	.03½
50c	.08	.02	Nicola	69,910	.03½	.05	.03½	.04½
50c	.05	.02	Noble Five	11,000	.03½	.03½	.03½	.03½
...	.34	.25	Pacific Nickel	......	(.25 bid .28 asked)			
1	2.50	1.32	Pend Oreille	1,100	2.08	2.12	2.00	2.12
No	.02½	.00½	Pilot Gold	......	(.00½ bid ... asked)			
1	3.25	2.25	Pioneer Gold	13,295	2.56	2.54	2.26	2.46
50c	.04	.02½	Porter Idaho	2,000	.03½	.03½	.03½	.03½
No	.02½	.00½	Premier Border	5,000	.01	.00½	.00½	.00½
1	2.83	1.81	Premier Gold	4,750	2.27	2.28	2.25	2.25
1	.14½	.02½	Quatsino Copper	2,500	.04	.04	.04	.04
25c	.11½	.04½	Quesnelle Quartz	17,300	.11	.11	.10	.10
50c	.07	.01½	Red Hawk	1,000	.04	.01½	.01½	.01½
1	.25	.10	Relief Arlington	4,700	.13	.14	.13	.13½
No	.56	.24	Reeves McDonald	500	.35	.36	.36	.36
1	.68	.23	Reno Gold	5,850	.30	.28	.23	.23
1	.06½	.03½	Reward Mining	12,000	.05½	.06	.05½	.05½
1	.03½	.01	Rufus Argenta	8,000	.01½	.01	.01	.01
1	.08	.01	Ruth Hope	......	(.02 Aug. 18)			
1	.08	.03	Sally Mines	2,000	.08	.04	.04	.04
50c	.16½	.05	Salmon Gold	500	.08½	.08	.08	.08
50c	1.20	.80	Sheep Creek	8,200	.89	.90	.90	.90
1	2.20	1.50	Silbak Premier	950	1.75	1.90	1.82	1.90
No	.04½	.01	Silvercrest	3,000	.01½	.01½	.01½	.01½
1	.17	.12	Sunloch	......	(.15 Sept. 15)			
No	.20	.11	Surf Inlet	......	(... bid .16 asked)			
1	.22	.21	Standard Silver	......	(.22 Apr. 1)			
10	12.65	11.95	Sunshine	......	(11.75 Apr. 13)			
No	.05½	.02½	Taylor Bridge	500	.03	.03	.03	.03
No	.21	.05½	Vidette Gold	6,700	.05½	.08	.08	.08
50c	.01	.00½	Waverley Tangier	1,500	.00½	.00½	.00½	.00½
20c	.03½	.01½	Wellington	2,000	.01½	.01½	.01½	.01½
50c	.10½	.01	Wesko	......	(.01½ bid .01½ asked)			
1	.02	.02	White Eagle	......	(.02 Mar. 16)			
1	.08½	.02	Whitewater	8,000	.05	.05½	.05	.05½
No	.29	.08	Ymir Yankee Girl	1,000	.10½	.10½	.10	.10½

Oil Stocks

Par Val.	Range 1938 High	Low	Company	Sales	Close Oct. 31 (or last)	High for week	Low for week	Close Nov. 7
1	.35½	.11	Alta. Pac. Cons.	1,200	.17	.16½	.16½	.16½
1	.08	.00½	Amalgamated	5,200	.01	.01	.01	.01
No	1.58	1.00	Anglo C. Develop	2,300	1.22	1.24	1.15	1.20
1	.14	.04½	Anaconda	......	(.05½ bid .06½ asked)			
No	.08	.04	Associated Oil	......	(.04 July 23)			
No	.06	.01½	Baltac	......	(.02 bid .03 asked)			
1	.14	.06	Brit. Dominion	......	(.06 Oct. 4)			
No	.58	.21	Brown Oil	500	.28	.25	.25	.25
No	3.15	1.60	Calgary & Ed.	2,780	2.37	2.33	2.18	2.21
1	.63	.20	Calmont	4,500	.30	.28	.28	.28
1	.43½	.19½	Commonwealth	1,200	.25	.25	.24	.25
1	.06½	.00½	Crow's Nest	......	(.00½ bid ... asked)			
No	.70	.38	Dalhousie	1,750	.45	.39	.38	.38
No	.66	.21	Davies Pete	......	(.23 bid ... asked)			
No	.15	.07	East Crest	......	(.09½ bid .10 asked)			
25c	.23	.09	Firestone	1,500	.09½	.09½	.09	.09
No	.08½	.03½	Freehold	20,950	.04½	.04½	.04	.04½
No	.23	.11	Foundation Pete.	......	(.11 bid ... asked)			
No	.21	.12	Four Star	500	.12	.12	.12	.12
No	.38	.14	Hargal	......	(.24 bid .30 asked)			
No	.20	.09	High Sarcee	100	.12	.10	.10	.10
No	1.46	.85	Home Oil	400	1.13	1.13	1.10	1.13
No	.09	.02½	Madison	3,000	.03½	.04	.04	.04
No	.10½	.04½	Marjon Oil	39,800	.07	.07	.04½	.05
No	.28½	.10½	McD. Segur Ex.	1,500	.14	.13½	.13	.13
1	.30	.10	McLeod	......	(.11 bid .15 asked)			
No	.19	.06	Mercury	2,250	.06½	.07½	.06	.06
No	.08	.05	Merland	......	(.05 Sept. 1)			
No	.12	.05	Mill City Pete	......	(.04 bid .06 asked)			
No	.03	.02½	Midwest Pete	......	(.03 June 10)			
1	.42	.18	Model	1,000	.20	.20	.20	.20
25c	.19	.08½	Monarch Royal.	2,000	.10	.08½	.08½	.08½
25c	.08	.06½	National Pete	......	(.05½ bid ... asked)			
1	.19	.07	Nordon	......	(.10 Oct. 11)			
No	2.25	.90	Okalta	15,400	1.47	1.40	1.10	1.15
100	37.50	27.00	Do. pref.	......	(29.00 Oct. 26)			
No	.17	.04	Pacalta Oil	......	(.05 bid .07 asked)			
25c	.51½	.20	Prairie Royal.	4,950	.21	.23	.20	.20
No	48.00	34.00	Royalite	......	(.40.00 bid ... asked)			
No	.23	.09	Royal Canadian	70,900	.21	.20	.15½	.18½
No	.65	.30	Southwest Pete	......	(.35 bid ... asked)			
1	.21	.07	Spooner	......	(.09 bid ... asked)			
25c	.23	.03	Spy Hill Rlty	......	(... bid .03½ asked)			
25c	.48	.33½	Sunset Oils	300	.33½	.34	.34	.34
No	.25	.08½	United	5,500	.10½	.10	.09½	.10
No	.09½	.04½	Vanalta	2,000	.05½	.05½	.05½	.05½
1	1.21	.50	Vulcan	800	.63	.60	.60	.60
No	.34	.05	West Flank	......	(.05¾ bid .07 asked)			
50c	.09½	.09	West Turner Pete	43,000	.....	.09½	.09	.09½

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Nov. 8, 1938

Public Utility Issues:	Int. Rate %	Due	Bid Nov. 8	Asked Nov. 8	Bid Nov. 1
†Assoc. Tel. & T.	5½	'55	77½	80½	77
Beauharnois P.	5	'73	100	103	100
B. C. Power	4½	'60	99½	102½	100
B. C. Telephone	4½	'61	106	109	106
†Calgary Power	5	'60	101	104	101
Do.	5	'64	100½	103½	100½
†Can. Nor. Pwr.	5	'53	103½	106½	104
‡Dom. Gas & El.	6½	'45	91	94	89½
‡Gatineau Pwr.	5	'56	104	107	104
‡Do., A	6	'41	99	102	...
Gt. Lakes Pwr.	4½	'56	97½	100½	99
‡Inter. Hydro-E.	6	'44	78½	81½	78½
▲Inter. Power	6	'55	100½	103½	100½
†Macl'n-Que. Pr.	5½	'61	104	107	103
Do.	5½	'64	104	107	103
Mtl. L., H. & P.	3½	'56	103	106	102½
Do.	3½	'73	98½	101½	98½
†Mtl. Tramways	5	'41	98½	101½	98½
†Do.	5	'55	74½	77½	74½
Nat. Lt. & Pwr.	6	'49	96½	99½	96
N. S. Lt. & Pr.	4	'57	100½	103½	100½
‡Ottawa Light Heat & Pwr.	4	'57	102	105	102
†Ottawa V. Pwr.	5½	'70	105½	108½	105½
†Power Corp.	4½	'59	102½	105½	103½
Quebec Power	4	'62	99½	102½	99
§Saguenay Pr., A	4½	'66	104½	107½	104
Do., B	4½	'66	104½	107½	104
Shaw. W. & Pr.	4	'61	102	105	102
Union Gas	4½	'50	101	104	101
Wpg. El. Ser. A	4	'65	65½	68½	65½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	68	71	69
Acadia Sugar	4½	'55	101½	104½	101½
†Alta. Pa. Grain	6	'46	88½	91½	89
Atlantic Sugar	4	'51	99½	102½	99½
B. A. Oil	4	'45	103	106	103
†B. C. P. & Pap.	6	'50	81½	84½	83
§Brown Co.	5½	'46	53	56	56
†Burns & Co.	5	'58	54	57	57½
Canada Bread	6	'41	107½	110½	107½
Canada Cement	4½	'51	103½	106½	103
Canada Paper	4½	'52	99	102	99
Can. Steamship	5	'57	83	86	83
Candn. Canners	4	'51	101	104	100½
‡Can. Int. Paper	6	'49	99½	102½	99
‡Candn. Vickers	6	'47	95	98	95½
C. P. R.	3½	'51	88	91	88½
Do.	4	'49	91½	94½	91½
Do.	4½	'44	94½	97½	94½
Do.	6	'42	104	107	104
Do., debs.	4 perp.		81½	84½	81½
†Consol. Paper	5½	'61	53	56	54½
Dom. Coal	4½	'52	102½	105½	102½
▲Dom. Stl. & C.	6½	'55	98½	101½	100
Dom. Tar	4½	'51	102	105	101½
†Donnacona P.	4½	'56	78½	81½	80
Famous Players	4½	'51	97	100	97½
†Federal Grain	6	'49	93½	96½	93½
†Fraser Cos.	6	'50	99	102	99
Gen. Stl. Wares	4½	'52	96	99	96½
‡Great Lakes P.	5	'55	84	87	89
†Gypsum, Lime.	5½	'48	98	101	98½
Ham. By-Pr. C.	5	'55	98½	101½	99
Inter-City Bak.	5½	'48	103	...	103
‡Inter. P. & P. Nfld.	4½	'68	102	105	100½
Lake St. John P. & P.	5½	'61	90½	93½	92
Maple Leaf M.	5½	'49	47½	50½	49½
†Massey-Harris	5	'47	99	102	100
†McColl-Fron.	4½	'49	98	101	98
McCormick's	4	'52	80	84	82
‡M. & O. Paper	6	'45	39½	42½	41
Nat. Grocers	4	'47	101½	104½	101½
†N.S. Stl. & C.	3½	'63	75	78	75½
Price Bros.	5	'57	97½	100½	97½
‡Prov. Paper	5½	'47	101½	...	101½
†Restigouche Co.	6	'48	98	101	97½
Rolland Paper	4½	'51	102	105	102
Simpsons Ltd.	4½	'51	98½	101½	99
Smith, Howard	4½	'51	102½	105½	102
†Steel of Can.	6	'40	107½	110½	108
‡United Gas	5½	'48	102½	105½	102½
United Gr. Grs.	5	'48	92½	95½	92½
†Western Gr.	6	'49	35	40	37

‡ Payable in Canada or U.S.
† Payable in Can., U.S. or U.K.
▲ Payable in Can. or U.K.
§ Payable in U.S. only.

Winnipeg Stocks

(Transactions from Oct. 31 to Nov. 7)

	Sales	High for period	Low for period	Close Nov. 5
Berens River	200	1.10	1.00	1.00
Central Man.	2,000	.04½	.04	.04½
Dom. Envel.	3	2.50	2.50	2.50
Dickstone Cop.	900	.00½	.00½	.00½
Flin Flon	1,500	.03	.02½	.03
Gt. West Life	5	315.00	315.00	315.00
Gt. Falls M.	3,000	.05	.04½	.04½
Gurney Gold	12,100	.24	.19½	.22
Marvel Oils	500	.03	.03	.03
Ore Grande	1,000	.03	.03	.03
Packsack	700	.03½	.03½	.03½
Sachigo R.	170	16.75	16.00	16.25
Shenango	100	.33	.33	.33
United Grain	9	7.50	7.50	7.50
West. Breweries.	1,000	1.60	1.50	1.50
West. Steel	16	10.00	8.50	9.00

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire	...	100
Can. Indemnity	125	...
Can. Airways	...	3½
Cres. Cream., pf.	...	12
Home Investment	15	18
Nor. Can. Mtge., pf.	3	...
North. Mtge., part. pf.	2	2½
Northern Trust	6	7
Traders Bldg.	...	82

*Stocks more active on other exchanges not included.

Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines
Nov. 8	35,900	68,600	683,000
Nov. 7	28,500	83,200	615,000
Nov. 5	14,900	54,000	402,000
Nov. 4	31,400	100,700	751,000
Nov. 3	33,700	177,600	630,000
Nov. 2	22,400	143,200	634,000

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Nov. 8, 1938

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, pfd.	4.60	5.00
Acme Farmers Dairy, pfd.	14.00	16.00
Algoma Steel, com.	13.00	13.75
Do., pfd.	62.50	63.50
Andian Nat.	39.00	40.00
Anglo Can. Tel.	8.60	9.25
Barrymore Cloth, pfd.	18.00	22.00
B. C. Packers, com.	11.25	13.00
B. C. Pulp & Paper, com.	*12.50	14.00
Do., pfd.	*30.00	....
Blue Top Brewing, pfd.	2.50	....
Burns & Co., A	4.85	5.50
Do., B	1.75	2.25
Can. Wire & Cable, pfd.	103.50	108.50
Can. Goodrich, com.	1.10	....
Car. Industries, A com.	234.00	....
Can. Ingersoll Rand	134.50	137.00
Can. Tube & Steel, com.	3.50	5.00
Do., pfd.	61.00	65.00
Chase, A. W., pfd. bonus	26.00	27.25
Claude Neon, pfd.	5.00	5.75
Cons. Sales Book, pfd. bonus	81.00	....
Copeland Flour Units	5.00	6.50
Corrugated Paper Box, com.	1.50	2.50
Do., rts.	....	8.75
Dom. Manufacturers, com.	4.25	5.00
Do., pfd.	62.50	66.00
Dunlop Tire, pfd. par $25	19.50	20.50
Easy Washing, pfd.	9.50	10.50
Federal Grain, com.	1.80	2.05
Do., pfd.	27.00	30.00
Goderich Elevator	6.35	7.00
Guelph Carpet, pfd.	103.75	106.25
Do., com.	16.50	17.75
Hayes Steel Prod., com.	8.00	9.00
Do., pfd.	8.25	9.00
Highland Dairy, pfd.	43.00	47.00
Inter City Baking, com.	28.00	32.00
Kingston Shipbuild. Units	9.75	11.00
Loblaw Inc., pfd. bonus	73.50	75.50
Maritime Tel., com.	16.25	17.00
Do., pfd.	17.00	18.00
Morrison Brass, pfd. bonus	5.75	7.50
Morrow Screw, pfd. bonus	93.50	98.00
Neilson, Wm., com.	6.50	8.00
Do., pfd.	98.50	....
New Brunswick Tel., com.	12.25	13.00
New Meth. Laund., pfd. bon.	50.50	56.00
Niag. Lower Arch Bridge, c.	69.00	....
Paterson, Wm., pref.	101.00	103.00
Provincial Paper, pfd.	103.50	105.00
Reliance Grain, pfd.	45.50	50.00
Robinson Consol. Cone	8.00	9.00
Ruddy, E. L., pfd.	29.00	31.00
Seal O Sac (Can.)	6.75	7.50
Standard Fuel, com.	2.25	3.50
Do., pfd.	58.50	63.00
Stedman Bros., pfd. par $50	54.25	56.00
Toronto Carpet, com.	27.00	31.00
Do., pfd.	55.00	59.00
United Farmers Co-op.	2.75	3.25
United Steel, A pfd.	20.00	21.00
Viceroy Mfg., pfd. & rts.	22.25	24.25
West. Grain, 6½% pfd. bon.	4.75	6.00
Western Steel Prod., com.	8.50	9.25
Weston (Geo.) Foods (Eng.)	4.00	4.75
Willards Choc., pfd.	48.00	....
Zellers, pfd.	24.00	26.00
Trusts and Loan Stocks:		
British Mortgage	145.00	....
Commercial Finance, com.	2.65	3.00
Guelph & Ontario, par $50	52.50	55.00
London & Western Trust	37.00	....
Premier Trust	....	110.00
Sherbrooke Trust	120.00	....
Sterling Trust	45.00	50.00
Traders Fin., B com.	15.00	15.50
Do., A pfd.	77.00	80.00
Trusts & Guarantee	25.50	26.50
Insurance Stocks:		
Can. Fire Ins.	82.50	85.50
Canada Life Assce.	481.00	488.00
Confed. Life, 25% pd.	140.00	152.00
Crown Life Fully pd.	206.00	....
Dominion Fire Ins.	131.00	....
Dom. of Can. Gen.	105.00	107.50
Empire Life 25% pd.	10.00	11.00
Excelsior Life 30% pd.	57.00	63.00
Federal Fire 25% pd.	48.00	55.00
Great West Life	280.00	295.00
Halifax Fire	24.00	24.75
Imperial Life	325.00	335.00
Manufacturers Life	237.00	244.00
Monarch Life 10% pd.	24.00	26.50
Sovereign Life 25% pd.	14.00	17.00
Sun Life Assce.	475.00	485.00
Toronto General	5.00	6.00
Western Assce., pfd.	41.00	44.00
Do., com.	49.00	52.00
Theatre Stocks:		
Allens, Kingston, pfd.	65.00	....
Do., pfd.	63.00	70.00
Do., St. Catharines, pfd.	62.00	66.00
Do., Tor. 7% pfd. bonus c.	33.50	....
Loew's London, pfd.	3.25	4.00
Mansfield Theatre, pfd.	25.00	....
Paramount Kitchener, pfd.	48.00	51.50
Do., Oshawa, pfd.	88.00	92.00
United Amusement, A	12.75	14.00
Do., B	12.75	14.00
Investment Trust Shares:		
Can. Investors Corp.	6.50	7.50
Invest. Found. Units	55.00	....
Lon. Can. Inv., pfd.	32.00	37.00
Sec's. Hold. Corp., 6% pf. b.	17.50	18.50
United Corp., A	22.00	23.50
Do., B	12.50	13.25
Power Issues:		
Calgary Power, pfd.	92.50	94.50
Can. West. Nat. Gas, com.	25.00	29.00
Do., pfd.	95.00	98.00
Inter. Util., $7 pfd.	96.00	103.00
Great Lakes Power, pfd.	100.00	102.50
Montreal Island Power, pfd.	20.50	....
Nova Scotia, pfd.	106.00	....
Northern Ont. Power, pfd.	97.00	100.00

Investment Trusts

	Bid	Asked
Can. Amer. Trust	3.70	4.00
Can. Inv. Fund	4.10	4.50
Trans-Canada	12.30	13.30
Grouped Income	5.18	5.70
Can. Int. Tr., modified	5.50	6.00
Do., unmodified	4.75	5.50
All Can. Trustee	12.60	13.25

Municipal Bonds

Nov. 8, 1938

†Halifax	5	1961	113.00	115.00	4.00
Hamilton	5	1950	108.60	110.10	3.90
Montreal	5	1945	104.00	105.50	4.00
Ottawa	4½	1945	108.50	110.00	2.84
†Quebec	5	1959	106.00	107.50	4.44
Saint John	5	1950	106.50	108.00	4.17
†Toronto	4½	1955	113.15	115.15	3.30
†Vancouver	5	1950	89.00	92.00	5.97
Winnipeg	5	1944	98.00	101.00	4.78

†Payable Can. and N.Y.

Unlisted Mines

TORONTO

November 8, 1938

	Bid	Ask.
Addington	.15	.16
Albany R.	.23	.25
Algoma S.	.16	.19
Amorada	.02	.03½
Arjon	.03	.04
Armistice	.02½	.03½
Argosy	.03¾	.04½
Arno	.01½	.01¾
Athona	.09½	.09¾
Area	.09½	.09¾
Barb. Lar.	.20½	.21
Big Master	.02¾	.03½
Bilmac	.05½	.06½
Baldwin	.01½	.01¾
Cuniptau	.04	.04½
Calder Bo.	.05	.05½
Camlaren	.10	.11
Cana. Pan.	.03½	.04½
Cana. Kirk.	.01	.01½
Capital R.	.02½	.02½
Central M.	.04	.04½
Cheminis	.08¾	.09½
Coin Lake	.03½	.04
Crowshore	.08	.10
Cont. Kirk.	.23	.24½
Dawson W.	.03½	.03½
Delandore	.08	..
Delnite	.65	.75
Desantis (new)	.28	.30
Doreva	.03	.04½
Devon	.24	.26
Dunlop (new)	.02¾	.03
Elmos	.28	.30
Ea. Rouyn	.25	.28
Frontier	.03	.03½
Gate Pat.	.02½	.03
Gilbec	.01	.01½
Goldside	.01	.01½
Golden G.	.45	.48
Golden Tr.	.08	.09½
Gordon Lb.	.03	.03½
Hallnor	9.00	9.50
Halliwell	.07	.08
Hislop	.03½	.04
Hiawa'a	1.05	1.10
Hutch. Lake	.03½	.03¾
Hugh PP.	.09½	.10½
Keora	.03¾	.04
Kaw Crow	.03	.03½
Kenricia	.32	.35
Kewaga'a	.11½	.12½
Kir. Vit.	.02½	.03
Kirk. Gate	.09	.11
Kirk. Hunt.	.02	.02½
Lacoma	.03	.03½
Lafayette	.01½	.01½
Lake Duf.	.62	.64
Lake Gen.	.17	.20
Lake Rose	.06	.08
Lardego	.06	.06½
Lucky Kir.	.06	.06½
Magnet L.	.12	.13
Magnet C.	.58	.60
Martin B.	.13	.14
Mata Cana.	.04¾	.05½
Moffatt Hall (new)	.05	.05½
McFar. LL.	.01½	.01¾
McCarthy	.04½	.05½
McVit. Kir.	.02¾	.03
Monarch	.03½	.03½
Mosher	.18½	.19½
Mooshla	.04¾	.05½
Norlake	.03½	.04
Norbeau	.80	.85
Negus	.83	.86
Nickel Of.	.60	..
North Sho.	.01½	.01¾
Oklend	.18½	.19
O'Leary	.03½	.03¾
Opemiska	.08½	.10½
Oriole	.03½	.04
Ossian	.05¾	.06
Pascalis	.42	.44
Porcu. Lake	.08½	.10
Porc. McN.	.01½	.01¾
Plains P.	.90	1.00
Planet	.06	.06½
Pontiac R.	.17	.19
Pelangio	.03½	.08
Polaris	.57	.60
Privat'er	1.50	1.60
Propri'y	1.75	1.85
Presdor	.04	.04½
Queb. Mn.	.15	.18
Rand Ml.	.20½	.22
Rajah	.02½	.02½
Ribago (new)	.03	.03½
Red LGS	.03½	.03½
Rhyolite	.08	.08½
Rich Rock	.05½	.07
Rouyn Re.	.02½	.02½
Rubec	.02½	.02½
Sachigo	15.75	16.25
Shenango	.28	.29½
Sheldon	.08½	.09
Silver Val.	..	.03½
Sigma (new)	7.00	7.20
Siscoe E.	.05	.05½
Smelter	.04½	.06
South Ver.	..	.06
Spooner	.05½	.06
Sturg. Riv.	.22	.24
Sunbeam	.33	.35
Sun Bear	.02¾	.03½
Surf. Inlet	.12	.13
Springer	.08	.09
Tonawanda	.02¾	.03
Up. Cana.	.68	.70
Virita	.01¾	.02
Williamson	.01¾	.02½
Wesley	.09	.10
Wells LL.	.13	.14
Westside	.01¾	.02½
Westwood	.08½	.09
White Horse	.03	.03½
Winoga cum. rites	.06½	.08
Woco	.13	.13½
Young David'n	.27	.29
Y. Shannon	.02	.03

MONTREAL

November 8, 1938

	Bid	Ask.
Abbeyville	..	.11
Amity	..	.01½
Brown Cad.	..	.01½
Chibmac	.01½	.02½
Cournor	..	.20
Dempsey Cad.	.02½	.03½
Dorval Units	..	8.50
Lake Rowen	.08½	.10
L. L. Lagoon	.03½	.05
Leroy	.01	.01½
Margaret	..	.10
Obalski	.08	.08
Pan Canadian	.07	.08
Routhier Cad.	..	.08
Valdor Min.	..	1.00
Warrenmac	.07	.10

Government Bonds

(Supplied by Investment Dealers' Association of Canada)

Dominion of Canada Bonds

	Nov. 8, 1938	Bid	Asked	Approx. Yld.
	1 Jan. '39	100.50	101.25	...
	1 June '39	100.00	100.37	.33
1	15 Nov. '39	100.87	101.37	.65
3	15 Oct. '39	101.25	101.75	.62
3¼	15 Oct. '39	102.62	103.12	.65
4	1 June '40	100.62	101.12	.77
1½	1 Sept. '40	105.50	106.00	1.18
4½	15 Mar. '41	99.50	100.00	1.00
1	15 Nov. '41	109.62	100.12	1.58
5	1 June '42	101.75	102.25	1.35
3	15 Oct. '42	105.00	105.50	1.55
3	1 June '43	103.12	103.62	1.68
3¼	15 Oct. '43	113.50	114.00	2.00
5	1 June '44	100.37	100.87	1.83
2	15 Jan. '44	102.00	102.75	▲1.58
2¼	15 Oct. '44	112.62	113.12	2.12
4½	15 Nov. '44	102.50	103.00	1.97
2½	15 Aug. '45	102.87	103.62	▲1.71
2¼	15 Oct. '45	108.50	109.00	▲2.06
4	1 Feb. '46	112.87	113.37	2.47
4½	1 June '49	103.00	103.50	▲2.74
3¼	15 Oct. '49	104.25	104.75	▲2.62
3¼	15 Nov. '51	102.37	102.87	▲2.91
3¼	1 May '52	111.25	112.00	▲1.46
5	15 Oct. '52	108.37	108.87	▲2.86
4	1 June '55	99.75	100.25	▲2.97
3	1 Nov. '56	111.25	112.25	▲2.79
4½	1 Nov. '57	111.50	112.50	▲2.91
4½	1 June '58	98.75	99.25	3.05
3	1 Nov. '58	112.25	112.75	▲3.01
4½	1 Nov. '59	112.75	113.25	▲3.07
4½	1 Oct. '60	110.00	110.75	▲2.93
4	15 Jan. '61	103.50	104.25	▲2.94
3¼	1 June '66	101.25	101.62	▲3.13
3¼	15 Jan. '67	98.62	99.37	3.03
3	Perp. bonds ...	92.75	93.50	▲3.21

Dominion Guaranteed Bonds

Canadian National Railway:

		Bid	Asked	Yld.
3	15 Jan. '42	101.25	102.25	1.27
3	15 Feb. '43	100.75	101.75	1.57
3	1 May '44	104.25	105.25	1.99
3	15 Dec. '50	99.00	100.00	3.00
3	15 Feb. '53	98.50	99.50	3.05
4½	1 Sept. '51	115.00	116.00	3.00
4½	1 Feb. '56	116.00	117.00	3.22
4½	1 July '57	116.00	117.00	3.29
4¾	15 June '55	118.50	119.50	3.25
5	1 Feb. '54	119.25	120.25	3.32
5	1 July '69	116.50	117.50	▲2.50
5	1 Oct. '69	120.00	121.00	▲3.11
5	1 Feb. '70	120.00	121.00	▲3.17

Provincial Government Bonds

		Bid	Asked	Yld.
New Brunswick:				
3	15 Oct. '51	91.50	92.50	3.74
3½	15 June '56	95.50	96.50	3.77
4	15 Nov. '47	102.00	103.50	▲3.43
4½	15 Apr. '61	104.50	105.50	4.12
5	15 Jan. '60	109.50	111.00	4.22
Nova Scotia:				
3	2 Jan. '52	95.50	96.50	3.32
3½	1 Nov. '50	100.50	101.50	3.35
3¼	1 June '56	97.50	98.50	3.36
4½	15 Sept. '52	109.00	110.00	▲3.20
4½	15 Nov. '60	111.50	112.50	3.67
5	1 Mar. '60	117.25	118.25	3.76
Ontario:				
2½	15 May '45	100.75	101.75	2.20
3	1 Nov. '50	98.75	99.75	3.02
3¼	15 Nov. '51	101.00	102.00	▲3.04
4	1 June '62	108.25	109.25	3.43
4½	1 June '50	112.50	113.50	3.10
4½	15 Jan. '62	115.50	117.00	3.44
5	15 Oct. '48	115.75	116.75	3.02
5	2 Dec. '60	123.00	125.00	3.37
5½	1 July '46	117.25	118.25	2.83
Ont. Hydro Comm.:				
3	1 Aug. '48	99.25	100.25	▲2.96
3¼	1 Feb. '53	100.75	101.75	▲3.07
3½	1 Apr. '47	103.25	104.25	2.92
Prince Edward Island;				
3	1 Oct. '45	99.50	101.00	2.85
Quebec:				
3	1 Nov. '51	96.50	97.50	3.23
3¼	1 Mar. '48	99.00	100.00	3.25
3¼	1 June '52	98.00	99.00	3.34
4	15 Mar. '52	105.50	107.00	3.35
4¼	1 Aug. '58	108.50	110.00	3.55
4½	2 Jan. '63	112.00	113.00	3.69
Alberta:				
4	15 Dec. '54	54.75	58.75	§
4½	1 Oct. '51	62.00	66.00	§
4½	1 Oct. '56	56.00	60.00	§
5	1 Oct. '59	59.00	63.00	§
5¼	1 Apr. '52	62.00	66.00	§
6	1 Mar. '47	64.00	68.00	§
British Columbia:				
4	1 Dec. '57	90.25	93.25	4.53
4½	15 Jan. '51	96.25	99.25	4.58
4½	1 Oct. '53	95.75	98.75	4.62
5	25 Apr. '54	99.50	102.50	4.77
5½	1 Feb. '45	101.25	104.25	4.70
6	15 Feb. '47	103.50	106.50	5.02
Manitoba:				
4	1 Dec. '57	83.00	87.00	5.07
4½	15 Dec. '56	88.00	92.00	5.19
5	2 Dec. '59	94.00	98.00	5.16
5½	1 Oct. '55	95.50	99.50	5.55
6	1 Apr. '47	97.75	101.75	5.73
Saskatchewan:				
4	1 Nov. '60	64.50	68.50	6.77
4½	1 Oct. '51	78.00	82.00	6.58
4½	15 Mar. '60	71.00	75.00	6.71
5	1 Aug. '58	76.00	80.00	6.85
5½	1 Oct. '52	80.00	84.00	7.35
6	15 Mar. '52	82.00	86.00	7.68

*Payable Can., N.Y., & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Callable on or after Sept. 15, 1936. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%.

Dividends Declared

	This payment	Date payable	Date of record
Aluminium, pf.	$1.50	Dec. 1	Nov. 15
Assoc. Tel., 1st pf.	49c	Nov. 15	Nov. 1
Do., $6 pref.	42c	Nov. 15	Nov. 1
Agnew-Surpass, pf.	$1.75	Jan. 3	Dec. 15
Belding Cort.	$1	Jan. 3	Dec. 15
Do., pref.	$1.75	Jan. 3	Dec. 15
Bk. Can. Nationale	$2	Dec. 1	Nov. 15
Bright, T. G.	7½c	Dec. 15	Nov. 30
Do., pref.	$1.50	Dec. 15	Nov. 30
Bk. of Montreal	$2	Dec. 1	Oct. 31
Buffalo Ank.	25c	Nov. 15	Nov. 1
Bk. of Toronto	$2.50	Dec. 1	Nov. 15
Calgary & Edmon.	8c	Dec. 15	Nov. 15
Crown Cork	25c	Nov. 15	Oct. 31
Can. & Dom. Sugar	37½c	Dec. 1	Nov. 15
Canadian Car, pf.	44c	Jan. 10	Dec. 23
Can. Iron pref.	$1.50	Nov. 15	Oct. 31
Can. Wire & C. pf.	$1.62½	Dec. 15	Nov. 30
C'monwealth Int'l.	4c	Nov. 15	Oct. 15
Cosmos Imperial	25c	Nov. 15	Oct. 31
Do., pref.	$1.25	Jan. 14	Dec. 31
Canadian Oil, pf.	$2	Jan. 2	Dec. 20
Do., com.	12½c	Nov. 15	Nov. 1
Cons. Div. Std. Sec., pf.	37½c	Dec. 15	Nov. 30
Corporate Inv. A. B.	5c	Nov. 15	Oct. 29
Crow's Nest Coal	$3	Dec. 1	Nov. 14
Can. Foundries, A	25c	Dec. 1	Nov. 15
Can. Cottons	$1	Jan. 2	Dec. 16
Do., pref.	$1.50	Jan. 2	Dec. 16
Dom. & A. Inv., p.	$1.25	Dec. 1	Nov. 15
Do., arrears	$1.25	Dec. 1	Nov. 15
Dom. Bridge	30c	Nov. 15	Oct. 31
East. Bakeries, pfd.	81¼c	Oct. 15	Oct. 1
Electrolux	40c	Dec. 15	Nov. 15
Gatineau Power, pf.	$1.25	Jan. 1	Dec. 1
Do., com.	20c	Dec. 15	Nov. 19
Growers' Wine	5c	Dec. 15	Dec. 10
Do., B pref.	35c	Nov. 1	Oct. 25
Gunnar Gold	3c	Nov. 15	Oct. 31
Gurd., Chas., pfd.	$1.75	Nov. 15	Nov. 1
Howey Gold	4c	Dec. 1	Oct. 31
Hudson Bay M.	75c	Dec. 12	Nov. 18
Inter. Nickel, c.	50c	Dec. 31	Dec. 2
Italo-Argen. El.	*$3.50p	Nov. 10	....
Island Mtn. M	5c	Nov. 15	Nov. 3
Kirk. Lake G.	4c	Dec. 1	Oct. 31
Do., extra	2c	Dec. 1	Oct. 31
Leitch Gold	▲2c	Nov. 15	Oct. 31
Loblaw Groc., A, B,	25c	Dec. 1	Nov. 10
Do., bonus	12½c	Dec. 1	Nov. 10
Lk. of Woods M. pf	$1.75	Dec. 1	Nov. 15
Laura Secord, bonus	$5	Nov. 7	Oct. 31
McIntyre Porc.	50c	Dec. 1	Nov. 1
Nat. Biscuit	40c	Dec. 15	Nov. 15
Do., pref.	$1.75	Nov. 30	Nov. 15
N. S. Light & P.	$1.50	Dec. 1	Nov. 15
Ontario Steel, pfd.	$1.75	Nov. 15	Oct. 31
Paymaster Cons.	1c	Jan. 16	Dec. 31
Penmans	75c	Nov. 15	Nov. 5
Quebec Power	25c	Nov. 15	Oct. 25
Reinhardt Brew., c.	15c	Dec. 1	Nov. 15
Rolland Paper	25c	Nov. 15	Nov. 5
Do., pref.	$1.50	Dec. 1	Nov. 15
Royal Bank	$2	Dec. 1	Oct. 31
Regent Knit., pf.	40c	Dec. 1	Nov. 15
Shawinigan W. & P.	20c	Nov. 15	Oct. 26
South Can. Pr. c.	20c	Nov. 15	Oct. 31
Texas Can. Oil	6c	Nov. 30	Oct. 15
Toburn Gold	2c	Nov. 22	Oct. 21
Do., extra	2c	Nov. 22	Oct. 21
Toronto Elev., pfd.	66c	Dec. 7	Nov. 23
United Corp., A	37c	Nov. 15	Oct. 31
Union Gas	20c	Dec. 15	Nov. 21
United Steel, A	75c	Nov. 1	Oct. 25
H. Walker	$1	Dec. 15	Nov. 25
Do., pref.	25c	Dec. 15	Nov. 25

▲Initial.

*Less 5 per cent Argentine tax.

Dividends Passed:

McColl-Frontenac, com., due Dec. 15—Last paid 10c Sept. 15, 1938.

A. J. PATTISON JR. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

COMBINE FIELD WIDENS

Use of the combine, which cuts and threshes the grain in one operation, has come to be an accepted practice over wide areas of the southern prairies. This season, with the introduction of smaller machines, the field has been extended to eastern Canada as well as widened among the smaller western farms. Completely eliminating costly stooking and the use of binder twine, very substantial savings are made in harvesting costs where this method of handling grain is practicable. Illustrated above is a tractor-driven combine on a farm about 20 miles northeast of Toronto.

Government Wheat Loss Seen At $10 Millions To Date

Only officials of the Canadian Wheat Board know the exact figure. It is quite probable, however, that the Canadian Government's new venture in the wheat business has already cost the public treasury close to $10 millions. And there is still well over 200 million bushels of wheat in various elevators and on various farms that remain to be sold.

In the last month Canada has been exporting wheat at the rate of over six million bushels weekly. Quite likely total October shipments will be found to be over 25 million bushels. In August and September six and 13 millions respectively were exported. Translating flour exports into wheat and adding these to the other totals it looks as if the Wheat Board had got rid of between 45 and 50 million bushels of actual wheat since the beginning of the crop year on Aug. 1 last.

$10 Millions so Far

For this wheat, under the minimum price fixed by the Dominion Cabinet last summer, farmers were paid on the basis of 80 cents per bushel, No. 1 Northern grade, delivered Fort William. This works out at about a cent per pound or 60 cents a bushel at the farm for average grades. But it also works out at fairly close to 20 cents below the actual world market price.

For a few weeks after the new crop year opened the spread between government minimum and market price was not as large but by the time western farmers really got their crop rolling to the elevators, quotations on cash wheat quickly dropped to around the 60 cent level.

During the war scare at the beginning of October there was a flurry for three or four days. Prices jumped about eight cents, quickly subsided again to around 60. In recent weeks there has been a tendency to fall two or three cents below that level.

It is quite likely that the Wheat Board has pushed sales hard whenever prices rose above 60 cents. Undoubtedly it got rid of a considerable volume during the recent crisis. But even allowing for generous selling on all these occasions, grain authorities doubt whether sales to date have averaged higher than 60 cents. This means a loss of approximately 20 cents on every bushel sold or from $9 to $10 millions to date.

Regarding future prospects traders see little immediate improvement in sight. At around 60 cents or a shade below, world buyers are apparently willing to take Canadian hard wheat at the rate of around five million bushels weekly. These sales are being made in the face of a heavy United States surplus, one of the best crops the European continent has ever harvested and imminent and excellent prospects in the Argentine.

Three Quarters Left

To date farmers have delivered about 230 million bushels of new crop wheat. They will probably wish to deliver about another 50 million bushels after holding back sufficient for their own seed and feed requirements.

Some of this, probably 50 million bushels, will be sold to domestic millers for domestic flour requirements, but Canadian millers are getting this grain on the same price basis as their foreign competitors.

In other words at least 250 million bush., perhaps 280, have been or will be offered at current world prices this season and even if not all sold it will have to be written off next Aug. 1. Loss will amount to the difference between the 80 cents paid and the average world selling price. On the basis of the present spread that loss may amount to $50 millions.

United Grain Growers Ltd. Turns Deficit Into Surplus

Earnings of United Grain Growers in the year ended July 31, 1938, were sufficient to cover all charges, including bond interest, and leave a small surplus. This is a marked improvement over the previous year, when a deficit of $125,322 was reported.

The directors note that under the circumstances prevailing in western Canada in the past year, the company was fortunate to be able to show better earnings. Many of its Saskatchewan elevators were closed. In Alberta, most of the country elevators were kept open, but at many points there was insufficient grain handled to permit a profit. In Manitoba a large business was done and chiefly accounted for the company's better position.

Financial Position Strong

Financial position is stated to be strong. During approximately five months of the year the company operated without bank loans and carried large sums on deposit. Grain inventory of $66,325 is the smallest ever held by the company. Inventories of twine, coal and sundry merchandise amounted to $874,218, the larger amount this year being necessary because of the larger supply of binder twine needed for the 1938 crop.

During the year United Grain Growers reduced its funded debt outstanding by $197,500, to $2.9 millions. The company also holds $222,000 principal amount of bonds purchased at a cost of $209,222 in anticipation of sinking fund.

Necessary improvements to the company's elevator system were extensive last year. New scales were required at a number of points to handle heavier loads now brought in by truck and handling machinery improved. These improvements are stated to have permitted the handling of a greater amount of grain in the current year than would otherwise have been possible. The company now has 440 country elevators, a gain of one from a year ago.

United Grain Growers Securities Co., insurance subsidiary, again reported satisfactory net earnings. Public Press Ltd. and Country Guide Ltd. also returned a net profit and it is stated that steady progress is being made by the amalgamated publication now carrying the name of The Country Guide and Nor'-West Farmer.

Particulars of the income and surplus account follow:

Consol. Income and Surplus Account
Years Ended July 31

	1938 $	1937 $
Net earnings	254,613	137,847
Less: Depreciation	33,251	33,658
Bond interest	151,616	163,384
Bond disc. w/o	19,878	19,548
Directors' fees	8,291	8,350
Legal & exec. fees ...	29,558	32,700
Income tax	4,000	6,000
Annual meet. exp.	16,730	15,736
Add: Profit on bd. red.	12,497	16,207
Net profit	7,787	*125,322
Add: Previous surplus .	296,602	451,924
Less: Timber limits w/d	......	30,000
Surplus forward	300,389	296,602

*Deficit.

Working Capital

	$	$
Current assets	2,084,011	2,105,573
Current liabilities	1,070,455	720,468
Working capital	1,013,556	1,385,105

Weston Asks for Listing On Montreal Exchange

Because of broadening public interest in the company's securities, George Weston Ltd. has made application for listing of its shares on the Montreal Stock Exchange.

There are now outstanding 404,421 common shares of no par value and $1.7 million of 5% preference stock, of $100 par value.

Public Utility Earnings

Jamaica Public Service
September

	1938 $	1937 $
Operating revenues	75,221	74,247
Less: Operation	34,191	33,571
Maintenance	7,183	6,828
Taxes	4,536	2,751
Net operating revenues ..	29,312	31,097
Add: Non-oper. inc.—net	390	483
Total income	29,703	31,580
Less: Retirement accruals	7,500	7,500
Interest and amort.	8,221	8,819
Net income	13,982	15,261
12 Months Ended September	**1938 $**	**1937 $**
Operating revenues	926,583	885,204
Less: Operation	417,785	408,215
Maintenance	82,662	85,329
Taxes	55,863	31,478
Net oper. revenues	370,275	360,182
Add: Non-oper. inc.—net	5,894	10,701
Total income	376,169	370,884
Less: Retirement accruals	90,000	90,000
Interest & amort.	102,302	104,536
Net income	183,867	176,348

Grain Statistics

CANADIAN GRAIN TRADE YEAR BOOK, 1937-38.—Sanford Evans Statistical Service, Winnipeg. Price $1.50.

Statistics covering every phase of the world grain trade for the 1937-38 season are packed into this compact little volume of slightly over 100 pages. Total crops, yields per acre, prices, exports for the past 10 years are given, making the book a most valuable reference.

Crops in the those countries with an exportable surplus. Canada United States, Argentine, Australia, etc. are handled in greater detail, and especially so in regard to Canada. In this case there is a day to day record of price fluctuations on the Winnipeg Grain Exchange for all grains, estimates of money value to growers, summaries of weather and other useful information in condensed form.

Ogilvie Flour Profits Down

Makes Better Showing Than Other Milling Companies

From Our Own Correspondent

MONTREAL.—Because of its substantial investment portfolio from which it receives a large return, Ogilvie Flour Mills made a more favorable showing in the year ended August 31 than other Canadian milling companies.

Operating income was lower than in the previous year, but the company was able to earn slightly more than its $1 dividend on the common stock. No provision was made for income taxes as reserve for taxes was sufficient to take care of this item. In 1936-37 $100,000 was provided for income taxes.

Operating profit and investment income for the year totalled $1,195,857 as against $1,588,085 in the 1936-37 fiscal year. Operating profit was bolstered by the inclusion of $135,000 of provisions made in previous years but no longer required.

Investment Income Up

Investment income in the form of interest and dividends totalled $726,396, compared with $525,961 in the previous year. Dividends from subsidiaries increased from $290,000 to $519,000.

While income from investments increased, profit realized from the sale of investments was sharply lower, amounting to $17,051. This compares with $198,466.

The extra dividend paid on Jan. 2, 1938, and the 5% bonus to employees were charged to surplus account as being applicable to the year ended August 31, 1937.

Value of Investments

Book value of investments was increased during the year from $3,445,892 to $4,848,494, but fair market value declined slightly.

Investments in bonds and preferred and common stocks are carried at $1,984,058, shares in wholly-owned subsidiaries, at $155,000. Assets of these subsidiaries consist of marketable securities. Loans owing by these subsidiaries to Ogilvie Flour total $2,709,435, compared with $1,450,618 at Aug. 31, 1937.

Under non-active assets the company has $459,806 invested in shares of a partly owned subsidiary company and $956,241 in other investments and mortgages. Both of these amounts are after deducting reserves for losses.

Outlook Encouraging

Commenting on prospects for the current year, J. W. McConnell, president, states the outlook is definitely more encouraging. The large wheat crop of good milling quality should again enable Canada to be competitive in overseas markets and should encourage increased domestic consumption.

Income and Surplus Account
Years Ended Aug. 31

	1938 $	1937 $
Oper. profit	419,386	863,631
Invest. income	207,396	235,961
Divds. from subsids. ..	519,000	290,000
Profit on invests.	17,051	198,466
Profit on fixed assets	33,024	......
	1,195,857	1,588,058
Less: Depreciation ...	149,214	155,172
Prov. & mun. taxes	158,518	148,225
Legal expenses	2,843	1,459
Exec. salaries	75,260	73,283
Directors' fees	17,395	17,667
Prov. for income tax	......	100,000
Pension fund	......	30,000
Net profit	792,627	1,062,252
Less: Pref. divds.	140,000	140,000
Common divds.	600,000	600,000
Surplus for year	52,627	322,252
Add: Prev. surplus ..	2,632,880	2,310,628
Less: Extra comm. div.	150,000	......
Wage bonus, pr. yr.	24,023	......
Balance forward	2,511,484	2,632,880

Working Capital

	1938 $	1937 $
Current assets	8,570,661	8,962,778
Current liabilities	784,042	900,096
Working capital	7,786,619	8,062,682

Morris Milling Company Issues Capital Stock

The Morris Milling Co., Morris, Manitoba, has been granted permission by the registrar of the Securities Act of Manitoba to issue 200 preferred shares of $25 par value and 500 common shares of $10 par value. The company was incorporated under Manitoba charter on Sept. 9, 1938. There are 400 preferred shares authorized and 4,000 common. Proceeds of the issue will be used to retire outstanding debts and provide funds to place a mill in operation.

Directors of the company are: President and manager, George J. Friesen; vice-president and assistant manager, Jacob H. Wiebe; John P. Derksen, all of Gardenton, Man.; secretary-treasurer, W. K. W. Shaw, and Leo A. Slater, Morris, Man.

Week in Wheat

Flood of Bonus Wheat Weakens World Markets

Heavy Marketing Pressure by U. S. and Danubian Countries — International Millers Continue Using Higher Percentage of Canadian Wheat

From Our Own Correspondent

WINNIPEG.—Wheat markets continue weak.

The most important aspect of current trade from Canada's standpoint is that large shipments of Canadian wheat are still going overseas. The United Kingdom and Europe are absorbing wheat from this country at a rate which indicates that a very high percentage is going into millers' flour mixes. Re-establishment of the habit of using Canadian wheat, of putting out a flour of high quality based on the use of such wheat, should be important later on.

In the meantime, the international market is suffering from attempts of the United States, Danubian countries and to some extent France, to force out wheat under export subsidies. A good deal of this is of low quality, and is cheap enough to find its way into the livestock feed market, in competition with corn.

Deliveries of wheat by Canadian farmers have dropped to approximately 500,000 bushels daily, and are likely to go lower. Threshing has been completed, and most of the grain taken direct from the machine to the country elevator, much of it by fast working commercial truckers.

While there has been little wheat held back by farmers in the hopes of higher-than-minimum prices later on, a large proportion of other grains has been retained on the farm.

U. S. Acreage

While there will be no official estimate of winter wheat acreage in United States for over a month yet, both private and semi-official reports indicate a substantial reduction from last year's near record of over 57 million acres. In order to benefit from the American Government loaning and bonusing scheme, producers must cut far below that figure. It is doubtful, however, whether the Government will reach its avowed object of a shrinkage of 30%.

Fall weather, on the whole, has not been favorable, and low prices have been a strong encouragement toward reduction. But a cut of almost one third is too much to be expected. Private estimates place acreage sown at about 46 million or 20% under 1937.

While total acreage of U. S. winter wheat at this time has considerable bearing on market prices and therefore is of prime interest to holders of Canadian wheat, it should be remembered that it is the producing, not the planted acreage which really counts. Much will depend on winter and spring weather ahead. In some years, abandonment of winter wheat acreage in United States due to frost injury has amounted to over 25%. Ten to 15% of the acreage is fairly common. Because there is so much critical weather ahead, the market will not begin to feel the real effect of U. S. acreage much before the beginning of March.

In any case the crop is now reaching the dormant stage and the news of it will also remain fairly dormant, barring the government acreage estimate on December 21, until early spring.

* * *

Southern Hemisphere Crops

Although there has been some frost in the Argentine, the crop is reported to have come through without any serious damage. Recent heavy rains build promise of the best harvest since 1933-34. Current estimates run between 270 and 280 million bushels. Five-year average is about 225 millions. Cutting is starting now in the extreme north, but will not be general for several weeks. Volume shipments of new crop to Europe are not expected much before the third week in January. Official lowering of the exchange value of the peso is possibly based on the hope of making wheat selling easier.

Australia, too, has had some rain, but not in the most important of its various wheat areas. Crop hopes have been almost abandoned in several districts following prolonged drought. It is certain that total crop will fall far short of the average of recent years, which has been around 170 millions.

* * *

Moisture Still Short

Weather conditions over the spring wheat areas of Canada and United States have been more favorable. Recently rainfall has been more general and in some areas, especially those which were dry early in the season, moisture supply is beginning to approach normal. For the whole area, however, rainfall so far has been disappointing, especially in Manitoba.

With colder weather throughout most of the country now, it is hardly likely that any additional moisture this fall and winter will have much chance of soaking into the frozen ground. If soil remains frozen solid until April, then heavy and general spring rains will be essential for good germination.

European winter wheat seems to be making a good start, although there are reports which indicate some concern as to dryness in the winter wheat belt of Russia.

* * *

Exports Continue Large

Grain deliveries in western Canada are now well past the peak of the season. In the last two weeks little more wheat has been coming into elevators than is being currently exported. Visible last week rose less than two million bushels to slightly over 180 millions. This compares with about 75 millions at this time a year ago.

Recently exports have also declined slightly, though the pace is still vigorous enough to take a lot of grain out of Canada before the Argentine flood is unleashed early in the new year. Last week clearances totalled over 4.5 million bushels, or about double the 1937 rate of shipment.

Commodities

Bolstered by continued United States business recovery most industrial commodities either moved forward or held firm this week. Recent ground recovered has now brought the averages up to those which prevailed a month ago. With Europe apparently peacefully settled down for the winter, nothing much is expected to interfere with the present firm trend for some months.

Of course, any sharp and prolonged recession in the United States this winter would have serious results. Main job in that quarter is to get private spending stepped up to a point where gradual withdrawal of temporary public pump priming will not be noticed.

	Latest week	Previous week	Same week last yr.
Cattle	$6.25	$6.00	$8.50
Hogs	8.75	8.25	9.00
Copper, lb.	.11¼	.11¼	.12
Cotton, lb.	.0888	.0893	.0785
Rubber, lb.	.1700	.1680	.1444
Sugar, raw, lb. ...	.0305	.0310	.0323
Silk, lb.	1.88½	1.88½	1.76
Wheat, Man. (bus.)	.57⅜	.60	1.32⅝
Coffee, lb.	.05½	.05½	.07½
Hides	.13	.13½	.11¾
Weekly Indices			
Canada (D.B.S.) ...	74.0	74.3	84.7
Do., Wood, Gundy	57.1	57.8	65.2
U. S. Labor	77.6	77.2	84.0
Dow Jones (future)	48.23	48.66	52.60
Crumps (Brit.)	72.3	72.7	79.4
Fisher's	80.4	80.4	87.9

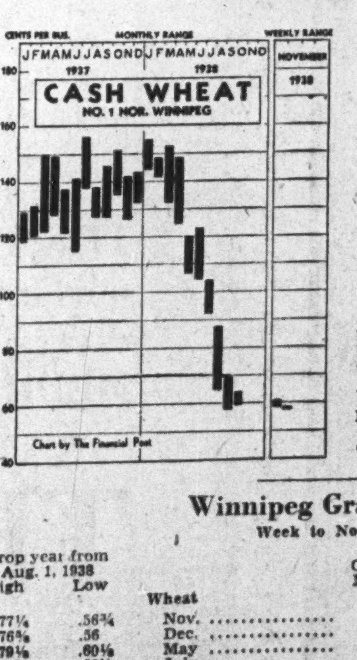
Monthly Indices

Canada (D.B.S.)	Latest month	Prev. month	Same last year
Retail (Sept.) ...	84.1	84.9	83.6
W'sale (Sept.) ...	74.5	76.0	85.0
U. S. (Aug.)	78.1	78.8	87.5
Gt. Brit. (July) ...	100.6	100.7	111.5

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York; Silk — Japanese, 13-15 New York: Sugar — 96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North, Ft. W.-Pt. A. Basis: Hides — No. 1 packer light.

Wheat Prices



(Cash Quotations)

	For Week Nov. 8 High	Low	Prev. Week High	Low
1 Hard	.58⅞	.57⅞	.61	.58½
1 Northern	.58⅜	.57⅜	.60½	.58
2 Northern	.55	.54¼	.57⅛	.54⅝
3 Northern	.51⅝	.50¾	.53¾	.51¼
4 Northern	.44	.43⅜	.46⅝	.44
5 Wheat	.39⅞	.38⅞	.42	.39½
6 Wheat	.32½	.31⅞	.35	.32½
Feed Wheat	.32½	.30⅞	.34	.31½

Competitive Export Prices:
Nov. shipments.

	Week to Nov. 8 High	Low
No. 1 North. (Van.)	.76⅜	.73⅝
No. 3 North. (Atlan.)	.70	.68⅞
No. 2 U. S. Yellow‡	.56⅞	.53⅞
Australian (new crop)▲ ..	.69⅝	.65⅞
U. S. White Pac. (afloat)..	.68⅞	.65⅞
Argentine Rosafe†	.71⅛	.67⅝
Rumanian	.48⅝	.47⅛
French	.54⅝	.51⅝

‡Hard winters. †New crop shippers' offers Jan.-Feb. ▲Dec.

Winnipeg Grain Futures

Week to Nov. 8, 1938

Crop year from Aug. 1, 1938 High	Low		Open Nov. 2	High for week	Low for week	Close Nov. 8	Close year ago
		Wheat					
.77¼	.56¾	Nov.	.57⅛	.57⅞	.56¾	.57½	1.11⅝
.76⅝	.56	Dec.	.57⅛	.57¾	.56	.57⅛	1.07¾
.79⅛	.60⅛	May	.60⅜	.61	.60⅛	.60⅝	1.05⅝
.61⅝	.60¼	July	......	.61⅝	.60¼	.61⅛	1.00¾
		Oats					
.31½	.25¾	Dec.	.26⅝	.27¼	.26⅝	.27⅛	.43⅛
.33¼	.27½	May	.27⅞	.28⅝	.27½	.28	.41¾
		Barley					
.44⅛	.33⅛	Dec.	.34½	.34¼	.33½	.33¾	.56⅛
.44⅝	.34⅜	May	.35⅛	.35⅛	.34⅝	.34¾	.55⅛
		Flax					
1.35	1.29	Nov.	......	1.33	1.29½	1.33	1.75
1.41⅛	1.25¼	Dec.	1.29	1.33⅜	1.29	1.32½	1.72
1.35¼	1.29¾	May	1.30⅛	1.33	1.30	1.32	1.72½
		Rye					
.47⅛	.36⅝	Dec.	.38⅛	.38⅞	.37	.38½	.70½
.47⅝	.39⅛	May	.40⅛	.41¼	.39¾	.40⅝	.73½

EST. 1857
Grain Merchants
Shippers & Exporters
Pioneers IN THE EXPORTING OF CANADIAN GRAIN
JAMES RICHARDSON & SONS Limited
WINNIPEG REGINA MONTREAL MOOSE JAW VANCOUVER SASKATOON TORONTO CALGARY KINGSTON EDMONTON

A Complete Investment and Trading Service
STOCKS . . . BONDS
GRAIN . . . . MINES
MELADY, SELLERS & CO. LTD.
Grain Exchange WINNIPEG Phone 92709

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

NORRIS GRAIN COMPANY
LIMITED
PRIVATE WIRE SYSTEM
GRAIN—STOCK—BONDS
Principal Offices:
WINNIPEG, TORONTO, MONTREAL, VANCOUVER, VICTORIA

More Rust-proof Wheats Are Given Milling Tests

From Our Own Correspondent

REGINA.—Canadian scientists are continuing their search for a rust-resistant wheat which will be equal in growing and yielding ability to Thatcher and superior to it in appearance. Canadian agronomists have been somewhat embarrassed by the fact that western Canada has been forced to rely very largely on a wheat originated in United States.

They are more concerned, however, and farmers also, over the fact that Thatcher color is not as favorable as Marquis, though actual milling tests place it in the same class. Remembering their unfortunate experience with yellowish Garnet, they are anxious to produce something of better appearance and believe that in the new Renown and other promising but unnamed varieties they have real discoveries. In the meantime, the West is thankful that the wide-scale introduction of Thatcher greatly reduced rust loss this season and is available to continue the fight until something better comes along.

Recently some of the new Canadian originated rust-resistant wheats have been shipped from western Canada to Great Britain for milling tests. Before the Dominion Government offers or sponsors a new variety of wheat to farmers, it is tested in field and flour mill to make sure that the grain produced commercially will be of high milling quality and will uphold Canada's reputation for top-quality wheat throughout the world. This was done before Thatcher was approved, but with Garnet the seed was widely distributed before its real milling and marketing qualities were fully understood.

Flour from Garnet had been tested in Canada and the bread made from the same proved to be palatable and light. Unfortunately, however, British millers took an unexpected dislike to its color, a dislike that did not become generally known until Garnet seed had been widely distributed.

Of course farmers were in a hurry to get Garnet planted in any case and because of its early maturity and resistance to frost damage it continues to prove popular in the northern districts even if it does fall in the lower grades. It is estimated that Garnet, because of its early maturity, has saved central and northern farmers hundreds of millions of dollars and has materially widened Canada's wheat belt.

With the new Thatcher wheat, however, the authorities took no chances and last year in co-operation with the leading grain companies the Dominion Government made an extensive shipment to Great Britain

"Britain's Bid for Peace"

A limited number of printed copies of the address, "Britain's Bid for Peace," delivered before The Canadian Club of Toronto on October 24th, by Floyd S. Chalmers, Editor of The Financial Post, are available without charge to readers of this newspaper who may desire them.

Address

THE FINANCIAL POST
481 UNIVERSITY AVENUE
TORONTO - CANADA

Bren Enquiry May Mold Defense Equipment Policy

From Our Own Correspondent

OTTAWA.—The Bren gun enquiry may indirectly mold the policy of the Canadian Government in continuing its defense programme.

The machine gun contract is known to have been the first of several which the Government had in mind for equipping the defense forces. Defence Minister Mackenzie and his department are maintaining an official silence on the details of this programme.

But it is an open secret that the next step is likely to be the acquisition of anti-aircraft guns. This would be followed by the purchase of heavy cannon and possibly fast torpedo boats for coastal work.

Aggravates Split

The Bren probe is believed to have accentuated the division of opinion in the department itself on the best way to get this needed equipment.

In his evidence recently, Gen. L. R. La Fleche, Deputy Minister, recalled the departmental controversy over the Bren gun manufacture. Gen. MacNaughton, then chief of staff, had opposed private manufacture and urged creation of a government arsenal. This controversy is believed to have continued to the present, with Gen. La Fleche still upholding private manufacture in Canada as the most economical means of getting the armament.

In addition to this there is the further question of whether contracts for cannon and anti-aircraft guns would be let by tenders or by exclusive invitation to "chosen instruments" as in the Bren case.

Cabinet May Decide

These two questions of policy, it is believed, will be submitted to cabinet. It is probable that the opposing groups in the department will be asked to state their cases. It is not inconceivable that a final decision may await Commissioner Davis's report on the Bren gun enquiry.

Another subject which is believed to have caused a division of opinion in the department is the need for tank equipment. There is said to be a strong body of opinion in the department opposed to the purchase of tanks, except possibly a few for training purposes.

There is unanimous agreement on the other hand that anti-aircraft guns must be the first consideration. Canada at present owns one modern anti-aircraft gun which is sent around on short visits to the various centres for militia training purposes. It is at present in Montreal.

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 302

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after THURSDAY the FIRST day of DECEMBER next, to Shareholders of record at close of business on 31st October, 1938.

The Annual General Meeting of the Shareholders will be held at the Banking House of the Institution on MONDAY, the FIFTH day of DECEMBER next.

The Chair to be taken at noon.

By Order of the Board

JACKSON DODDS G. W. SPINNEY
General Manager General Manager

Montreal, 18th October, 1938.

Dividend Notice Commoil Limited

NOTICE is hereby given that an Interim Dividend of 4c per share has been declared on the outstanding no par value shares of the Company, payable November 29th, 1938, to Shareholders of Record at the close of business, November 17th, 1938.

The Transfer Books of the Company will not be closed.

BY ORDER OF THE BOARD.

Calgary, Alberta, November 4th, 1938. G. J. McKay, Secretary.

Sylvanite Gold Mines, Limited

(No Personal Liability)

TO SHAREHOLDERS AND HOLDERS OF SHARE WARRANTS:

NOTICE OF DIVIDEND NO. 30

TAKE NOTICE that a regular quarterly Dividend of 5% (i.e., five cents per share) on the outstanding Capital Stock of the Company, payable in United States funds, has been declared as Dividend No. 30.

Such Dividend will be payable December 30th, 1938, to Shareholders of record at the close of business November 21st, 1938.

In the case of Share Warrants such Dividend will be payable on or after December 30th, 1938, in respect of the shares specified therein, upon presentation and delivery of Coupon No. 30 at:

The Canadian Bank of Commerce, Toronto, or any Branch of said Bank in Canada (Yukon Territory excepted) at the Bank's current buying rate for United States funds on the date the coupon is cashed without deduction for collection charges; or, Liberty Bank of Buffalo, Buffalo, N.Y.

The Canadian 5% tax will be deducted from Dividends paid to non-residents.

By Order of the Board,
W. S. WALTON, Secretary
TORONTO, November 8th, 1938.

The Consumers' Gas Company of Toronto

NOTICE
of
ANNUAL MEETING

The **ANNUAL GENERAL MEETING OF THE SHAREHOLDERS** of The Consumers' Gas Company of Toronto, to receive the report of the Directors, for the Election of Directors for the ensuing year and for the transaction of such other business as may properly be transacted at the meeting, will be held in the Company's Auditorium, 55 Adelaide Street East, Toronto, on **MONDAY**, the **14th DAY OF NOVEMBER, 1938**, at 12 o'clock noon.

By Order of the Board,
EDWARD J. TUCKER,
Secretary.

Toronto, October 14th, 1938.

Banque Canadienne Nationale

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of two per cent (2%) (being at the rate of 8% per annum) has been declared by the Directors of the BANQUE CANADIENNE NATIONALE on the paid-up capital stock of the Bank for the quarter ending on the 30th day of November, 1938. This dividend, bearing the number 191, will be payable at the Main office or at the branches of the Bank, on or after the first day of December, 1938, to the shareholders of record on November 15th, 1938.

By order of the Board,
CHARLES ST-PIERRE,
General Manager.

The Reinhardt Brewery Co., Limited

Notice of Dividend

NOTICE is hereby given that an Interim Dividend of fifteen cents a share on the outstanding capital stock of the Company has been declared, payable December 1st, 1938, to shareholders of record at the close of business on the 15th day of November, 1938.

By order of the Board.
C. I. MacNEILL,
Secretary.
Toronto, November 4, 1938.

Texas-Canadian Maintains Income

Operating Profits Equal to 27c in 9 Months of 1938 Year

Net operating income of Texas-Canadian Oil Corporation amounted to $586,731 or 27 cents per share for the nine months ended Sept. 30, 1938, before allowance for depreciation, depletion and income taxes. In the same period of 1937 and 1936, net operating income amounted to $581,658 and $383,004 respectively.

Gross income from oil and gas sales during the first nine months of 1938 totalled $813,223 compared with $774,120 in the same period of 1937. East Texas operations were confined to five days per week during the greater portion of the first nine months compared with seven days per week in 1937.

Operations of five days instead of seven days per week in the East Texas field in 1938 represents eight days per month shutdown or shrinkage in income from that field of 26%. This loss in income has been more than made up for by the broadening of activities to include oilfields in Arkansas, Louisiana and Illinois.

Gross Income—Oil and Gas Sales

	1938 $	1937 $
1st quarter	281,973	224,589
2nd quarter	255,663	249,735
3rd quarter	280,587	299,796
9 months	818,223	774,120

Net Operating Income*

	1938 $	1937 $
1st quarter	204,098	166,421
2nd quarter	177,028	185,331
3rd quarter	205,605	229,906
9 months	586,731	581,658

*Before depreciation, depletion and income taxes.

Aluminum Power Co. Acquires Alcoa Power

From Our Own Correspondent

MONTREAL.—The Quebec Electricity Commission has given approval to the deal whereby Alcoa Power Co. has been taken over by the Aluminum Power Co., wholly owned subsidiary of Aluminium Ltd.

Alcoa Power Co. was formerly controlled by the Aluminum Company of America and the deal involved the issuance of $20 millions of bonds by the Aluminum Power Co.

The Alcoa Power Co. operated one of the largest hydro-electric developments in Canada. The plant, located at Chute-a-Caron, can produce half a million horsepower and is capable of expansion to nearly double that figure.

SAN ANTONIO RESULTS

Production of San Antonio Gold Mines from Jan. 1, to Oct. 7, 1938, amounted to $790,710 from 89,753 tons of ore milled, an average recovery of $8.81 per ton. Cost per ton for the period, including costs of shaft sinking but before income taxes and depreciation, amounted to $4.81 per ton. As at Oct. 7, 1938, current assets of $713,242 included cash of $447,189 and $78,512 in bullion. Accounts and payroll payable were $81,981. A dividend of seven cents per share was paid on Nov. 5, 1938, to shareholders of record October 20.

Canadian Car & Foundry Company, Limited

Dividend Notice — Preference Stock

Notice is hereby given that a dividend of forty-four cents (44c) per share on the paid up Preference Stock of the Company for the quarter ending December 31st, 1938, has been declared, payable on the 10th day of January, 1939, to Shareholders of record on the 23rd day of December, 1938.

By Order of the Board,
A. C. BOURNE,
Secretary.
Montreal, November 7th, 1938.

Macassa Mines, Limited

(No Personal Liability)

DIVIDEND NO. 14

NOTICE is hereby given that a quarterly dividend of FIVE CENTS per share, also an extra dividend of FIVE CENTS per share on the issued Capital Stock of the Company will be paid on December 15th to shareholders of record November 30th next.

The Canadian five per cent tax will be deducted from dividends payable to non-residents of Canada.

By order of the Board.
L. SOLIAGUE,
Secretary.
Toronto, November 8, 1938.

Inter. Paper Shows Profit

Third Quarter Surplus Is First for This Year

From Our Own Correspondent

MONTREAL. — International Paper and Power Co. and subsidiaries, excluding International Hydro Electric System and its subsidiaries, report consolidated net profit of $12,850 for the three months ended September 30, 1938. This contrasts with a profit of $3,029,384 for the comparable period of 1937.

The showing made for the past quarter was considerably better than that reported in either the first or second quarters of the current year.

Gross Sales Move Up

Gross sales and other income for the third quarter total $25.3 millions as against $32 for the like period a year ago. Charges remain much the same in relation to the volume of business, and, as a consequence, the company is able to show a profit for the period.

Comparative consolidated figures for the third quarter of 1938 and 1937 follow:

Three Months Ended Sept. 30

	1938 $	1937 $
Gross sales	25,048,990	31,627,640
Add: Other income	269,567	347,732
Gross earnings	25,318,557	31,975,372
Less: Expenses	22,931,934	25,650,180
Net earnings	2,386,623	6,325,192
Less: Depreciation	1,106,587	1,079,616
Depletion	168,070	227,458
Interest, etc.	998,476	1,131,240
Income tax	83,398	851,935
Subsid. divs.	17,242	5,559
Net profit	12,850	3,029,384

Hold Down Loss

For the nine months ended September 30, 1938, gross sales and other income totalled $71 millions, as against $95.6 millions for the same period in 1937. Costs and expenses from $77.8 millions to $64.4 millions, leaving a net revenue of about $6.7 millions as against $17.8 millions a year ago. After taking care of interest, depreciation and taxes, there was a net loss for the first nine months of the current year of $688,265, compared with a profit of $8,062,077 a year ago.

Comparative consolidated returns for the nine months follow:

Nine Months Ended Sept. 30

	1938 $	1937 $
Gross sales	70,253,778	94,662,256
Add: Other income	752,771	1,012,337
Gross earnings	71,006,549	95,674,593
Less: Expenses	64,411,463	77,834,135
Net earnings	6,595,086	17,840,458
Less: Depreciation	3,259,681	3,174,379
Depletion	588,786	811,887
Interest, etc.	2,993,926	3,379,886
Income tax	387,205	2,352,846
Subsid. divids.	53,753	59,383
Net profit	*688,265	8,062,077

*Loss.

Note: — Operating results of International Power and Paper Co. of Newfoundland have been excluded from the 1938 figures. An agreement was made on June 2, 1938, providing for the sale of all the common shares of the Newfoundland company to Bowater's Paper Mills and the sale was completed on Aug. 15, 1938. Under the terms of the agreement, International Paper & Power has no equity in the profit or loss resulting from the Newfoundland company operations subsequent to Dec. 31, 1937.

Montreal Power Output Lower

Returns for October Above Average But Below Year Ago

From Our Own Correspondent

MONTREAL.—Lower production of electricity is reported by Montreal Light, Heat & Power Cons. for October, compared with the same month a year ago.

Consumption in the Montreal area last month, exclusive of secondary and export power, amounted to 98.6 million kw.h., the second highest amount ever reported by the company for that month, but 5.14% below the all-time high reached in October, 1937.

Record Small Decrease

Output for the ten months period amounted to 923.3 million kw.h., or 2.46% down as compared with the same period last year.

Comparative electricity output figures for the period follow:

	1937 kw.h.	1938 kw.h.	Ch'ge %
1st quarter	291,501,730	297,715,850	+2.13
2nd quarter	274,859,980	261,654,950	—4.80
3rd quarter	276,216,980	265,317,350	—3.94
October	103,991,790	98,643,300	—5.14
Cumulative	946,570,480	923,331,450	—2.46

Gas Trend Unchanged

The company reports gas production in October amounting to 433.5 million cu. ft., a decrease of 0.07% under the same month last year.

Cumulative production for the 10 months period amounted to 4,128 million cu. ft., a decline of 1.16% from the like period in 1937.

Comparative gas output figures follow:

	1937 c.f.	1938 c.f.	Ch'ge %
1st quar.	1,240,010,000	1,226,759,000	—1.07
2nd quar.	1,327,445,000	1,299,300,000	—2.12
3rd quar.	1,175,398,000	1,168,594,000	—0.58
October	433,762,000	433,470,000	—0.07
Cumulat.	4,176,615,000	4,128,123,000	—1.16

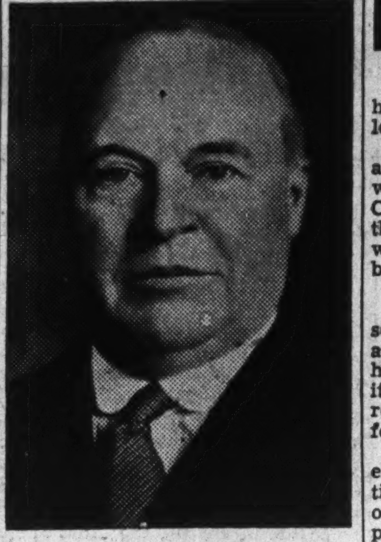
Ram River Oils Drills On Ram River Anticline

Ram River Oils is now drilling its first well on the Ram River anticline, in Alberta, about 11 miles southwest of Phoenix, the nearest point on the Nordegg line of the C. N. Ry. The well was spudded in during October and operations are being pushed with three shifts a day.

Drilling was commenced in the top of the Devonian series and near the contact of the Banff shales with the Devonian limestone. Drilling to a depth of 3,000 feet should test the series that it is hoped will be oil bearing.

Property holdings of the company comprise 1,600 acres on which no royalties are payable other than the usual 10% to the Alberta Government.

Authorized capital is one million shares of which 500,000 shares are being offered at 25 cents per share. On October 6, allotments amounted to 308,269 shares.



STEEL DIRECTOR

John W. Hobbs, who has been elected a director of Algoma Steel Corp. Mr. Hobbs is president of Consolidated Plate Glass and the Continental Life Insurance Co. as well as director of several Canadian companies.

States Present Results In Yellowknife Hopeful

From Our Own Correspondent

SUDBURY.—Extensive holdings of Chan Yellowknife Gold Mines, aggregating 97 claims, have been only partially examined, but results to date have been highly encouraging, according to H. N. Kilpatrick, of Sudbury, veteran mining man and prospector, who spent the summer on the properties.

Mr. Kilpatrick reports that major mining companies are enlarging their activities in the field, and that besides the Con, there will be at least two or three other producers emerge from the present development work.

Does Canada Want Czechs?

(Continued from page 13)

happy outcome of that tense week less than two months ago.

Prime Minister Mackenzie King announced recently that Canada would have to do something for Czech refugees and it is understood that plans are now nearing a stage where an official announcement can be expected.

Ease Restrictions

The objective is to work out a scheme which will prove mutually advantageous to the immigrant and his adopted country. Beyond that it is understood that no unnecessary restrictions will be allowed to interfere with the movement.

Canadian regulations for the past eight years have allowed immigration from central European countries of any experienced farmer who can pass the medical examination and has sufficient resources to get started on the land. For general purposes the requirement has been set at $1,000 in addition to the amount needed for transportation. No fixed rule has been followed. Each case is taken on its merits.

If the department finds for example that the prospective farmer has friends or relatives in the country willing and able to share the responsibility a smaller sum is required.

In event of any Czech immigration scheme it has been pointed out the regulation does not require personal possession of money. Some provision, it is understood, might be made which would relieve the Government of the responsibility of looking after any number of poverty-stricken immigrants.

British and other interests are already making a study of the prospective movement with a view to classifying the refugees according to occupation and determining where each class can fit into the international economic scheme. What the Canadian Government stand would be on proposals to extend the immigration field to artisans is not yet known. It may be significant again, however, to mention the sympathetic attitude which would be applied to any such question.

Land For Farmers

For the farmer-refugee an effort will be made to find suitable land in the settled parts of the country. In some cases this will probably be done by purchase of abandoned farms. Settlement of crown lands, where this may be contemplated, will be a matter to be taken up with the provinces concerned.

The Government, it is understood, will try to avoid any mass settlement in one area. This is consistent with the general policy now followed of trying to fit the individual immigrant into a settled community where he can be assimilated rather than to throw him into a virgin district where new schools, roads and communication facilities would have to be provided.

Such a policy has the added advantage of bringing the new Canadian in closer contact with the language and customs of his adopted country.

So far as possible, however, the Czech farmer will be placed on his own land rather than added to the agricultural labor market. The prairies and British Columbia are, of course, the logical recipients of any such immigration movement.

O. S. Mitchell Secretary of Ontario Hydro System

Announcement has been made of the appointment of O. S. Mitchell, managing editor of Canadian Electrical News, to the post of secretary of the Ontario Hydro-Electric Power Commission. The secretaryship has been vacant since the resignation of A. Murray McCrimmon. R. T. Jeffery has been acting-secretary during that period. Mr. Mitchell will take over his duties on Nov. 15.

YOU'LL DISCOVER THE JOY OF ALL-DAY FACE FRESHNESS

WHEN YOU INVEST IN A

ROLLS RAZOR

STROPS ITSELF HONES ITSELF PAYS FOR ITSELF

$6.95 AND UP ROLLS SHAVING BOWL $1.00 REFILLS 60c

Strike Fails to Affect Avalon Telephone Service

From Our Own Correspondent

MONTREAL.—Despite labor difficulties service of Avalon Telephone Co., St. Johns, Nfld., has continued uninterrupted.

Employees of the company who are members of the Electric, Telephone and Allied Workers Association went out on strike on Oct. 22. None of the "key" men of the telephone staff belonged to the union and the strikers have been replaced.

Negotiations have been proceeding between the company and the union for some time. The union demanded a maximum nine-hour day and a minimum $60 monthly wage. The company refused this and the union decided to bring matters to a head by going on strike. Actually, the walkout has been a failure and negotiations betwen the company and the union have been terminated.

According to R. J. Murphy, vice-president of the company, the rate of pay for telephone operators is as follows: $15 a month for probationers during the first few months of employment; $25 a month after the probation period; $30 and $35 a month after seven years; $40 a month at or about 12 years service. Star and toll operators receive $45 a month; monitors, $50 a month; and chief operators, $60 to $100 a month.

New Vancouver Firm

Holland and Lamprey Ltd., Vancouver, has announced the opening of a new stock brokerage firm of this name. The new firm will hold a membership on the Vancouver Stock Exchange and give quotation services on Vancouver, Toronto, Montreal and New York Exchanges.

"It's in the bag!"

When a hunter goes a'hunting, he goes where hunting's good. Be it deer or ducks, he goes where *they* go.

And the same holds good in the quest for "game" in the business and financial field. The place to do one's (s)talking is right *in* that field.

Are Canadian business houses, industries, financial institutions and government departments prospective purchasers of your products or services?

Are thousands of executives and other individuals representing enormous corporate and private buying power on your list of potential clients or customers?

Then meet them, talk to them face to face on ground familiar to them for over 30 years . . . on ground thoroughly searched by them every week for information essential to them — namely, in the columns of The Financial Post.

"Simple as A.B.C."

Look at this A.B.C. analysis of The Post's coast-to-coast circulation by subscription and see how this newspaper reaches those whom you seek to reach:

Manufacturers and Business Executives	44.25%
Bankers, Bond Dealers, Stock Brokers, Insurance and Trust and Loan Officials	32.60%
Municipal, Provincial and Federal Government Officials	3.37%
Professional and Unclassified (for the most part investors)	19.78%

THE FINANCIAL POST is utilized consistently and successfully by important advertisers. You, too, can tap the huge buying power of the diversified fields of industry and finance—economically—in THE ONE MEDIUM. Consult your advertising agency or our representative.

THE FINANCIAL POST

Dominion Square Building
MONTREAL

481 University Avenue
TORONTO

CANADA'S FOREMOST NATIONAL NEWSPAPER—MEMBER AUDIT BUREAU OF CIRCULATIONS

Profits Seen as Objective Of Life Company Branch

Volume of Business Proves Faulty Yardstick for Efficiency of Agency Force—Insufficient Earnings Factor in Agency Turnover

One particular problem which the depression has left in its wake as far as the life insurance business is concerned is the rapidly increasing difficulty which all companies seem to be having in recruiting their agency forces.

This statement was made by S. C. McEvenue, general manager of the Canada Life Assurance Company, before the Association of Life Agency Officers at Chicago last week. Mr. McEvenue, whose address dealt with the principles behind his own company's recruiting programme, stated that behind this problem and closely connected with it lay serious situations in respect to agency turnover and increasing agency costs, occurring most inopportunely during a period of low interest rates. He did not, however, share the opinion that the whole agency system can be added to the list of the depression's casualties, and that it was "out on its feet."

He outlined the course taken by his own company, the Canada Life, which had brought him to this conclusion. While it was evident that from 1930 on recruiting was a problem of increasing difficulty, it was not till 1936 that the thoughts of those studying the problem were given a direction resulting in a definite programme of action.

Original Assumptions

At the outset it was assumed:

(1) That the function of the agency department is to sell an adequate volume of the right kind of policies to the right kind of people at a reasonable acquisition cost.

(2) That while difficulties of recruiting were real they were only symptomatic of a much more deep-seated trouble and that was the difficulty of building a sales organization of a more permanent character. To do this it was felt that there must be a material improvement in the turnover of the agency force, or else the recruiting of intelligent people into the business instead of being merely difficult would shortly become practically impossible.

(3) Insufficient earnings were the basic reason why so many men left the business.

Question of Earnings

Starting from these points it was felt that if the earnings of the individual representative could be increased it would be a definite move toward a successful solution.

A statement was prepared for each branch showing actual cash earnings of each representative each month for the previous and current year divided into new and renewal commissions. The last year an additional figure was added—the individual's monthly budget of requirements for living expenses which enables the head office to see how income earned compares with necessary outgo.

This is the first answer to the question, what is the company doing with the men they've got?

The study brought out the fact that branch managers differ. The conclusion was that the agency system itself might be all right, but that the trouble was more likely to be found in the operation of the system.

Too Much Stress on Volume

It was found, Mr. McEvenue stated, that too great stress was put on volume as a measuring rod. The company was asking agency managers to produce certain quality results, but were measuring the results by volume.

"So we set out to look for a new measuring rod."

"Assuming that a branch which sold an adequate amount of the right kind of insurance to the right kind of people at an adequate cost should be a profitable branch and that if the major part of the business originated from profitable branches then the company should make progress, we then gave our manager as his major objective the task of building a profitable branch which, of course, means the production of business at or below the standard cost per thousand."

Conclusions Reached

Out of the results obtained Mr. McEvenue stated certain conclusions had been reached tentatively. These in brief were:

(1) "That the more completely our managers grasp their new objective, the more clearly will they realize the importance of high average earnings per man and high average size policy. From this realization we believe is coming an entirely new appreciation of the advantages of selecting the right material and of the importance of concentrated training and continued sympathetic supervision, so that each representative may be equipped to represent his company in the fullest meaning of the word.

(2) "That a large portion of the managers' time is spent in bolstering weak sisters, and that one of the major contributing factors to high agency cost is the continuation of contracts where production does not justify the maintenance expense involved.

(3) "That we are approaching a point where the common practice of companies will be to terminate contracts where earnings fall below a certain level; where new contracts will only be finally completed after the applicant has served a probationary period of three months or even longer.

(4) "That there will be less and less pressure for new organization—more and more stress on permanent organization.

(5) "That high agency turnover ratios will be as seriously regarded as is a high lapse ratio today, and we'll probably find a direct relationship between the two.

(6) "That the tendency will probably be toward smaller agencies, with more time spent on individual training and supervision."

Insurance Problems

Paid-up Policy or Annuity

Most of my life insurance (straight life) was taken out when protection was needed most. The position has been reached when it is not possible to continue to pay the premiums.

(1) Should I take paid-up policies, the premiums for which have been paid for a series of from ten to twenty-five years?

(2) I have about $2,000 insurance paid up, should I take this to continue the "life" insurance?

(3) Should I turn the paid-up policies, as well as the life insurance into annuity?

(4) Do life policies ever become paid up before death? Some companies consider that when an insurer is 75 years of age the policy is paid up.

Much depends on whether you need protection most or income.

(1) Taking paid-up policies should be a sound procedure provided you are unable to pay any further premiums and will not be able to resume payments later. The amount of paid-up insurance available will be less than the face value of the policies held. On policies which have been in force from 10 to 25 years it should, however, be substantial.

(2) By taking paid-up insurance we presume you mean taking the cash value of the paid-up policies to continue other insurance. If there is a prospect that you will be able to resume payments later, this plan has its good features. If the $2,000 or its cash value were all used in this way, however, and you were then unable to pay any further premiums you would be forced to make another adjustment on your policies still in force.

(3) We presume that by paid-up policies you mean policies which are already fully paid up and by life insurance other policies which are not yet fully paid up. The advisability of turning them into an annuity would depend on whether it is better to use this insurance as protection for one's dependents or as income for oneself.

(4) Life policies which are written on a limited payment plan, of course, become paid up at the stated time. Straight life policies often become paid-up within a reasonably short time if the dividends are left to accumulate. Where the dividends are withdrawn or used to pay premiums, it takes longer for the policy to become paid up. Then, of course, if you look at your policy you will see that after the first three premiums have been paid it is possible to take out a paid-up policy for a stated amount somewhat below the face value. In 20 years it may be that a straight life policy for $5,000 could be surrendered for a paid-up policy of say $3,000.

Blanket Residence Policy

I would like your opinion on the Householder's Blanket Insurance Policy issued by the Toronto General Insurance Company. According to their leaflet, the policy covers for three years furniture, jewellery, furs, cash and personal effects against a great number of hazards. It also covers liability to the public.

This policy, known as the Blanket Residence Policy, appears to have a number of good features. It resembles somewhat the Personal Property Floater policy which has been under discussion recently. The blanket residence policy can be had either with or without protection against fire. In addition it gives coverage against legal liability for bodily injuries and death, sports liability, liability caused by ownership of domestic animals or bicycles. Before dropping any other policies, however, it would be advisable to make sure that you are not sacrificing any protection which is not given in this policy.

New Licenses

The Dominion Department of Insurance has granted certificates of registry to the following companies, authorizing them to write the lines of insurance indicated:

American Alliance Insurance Company—Insurance against loss of or damage to bridges in addition to the classes for which it is already registered.

Great American Insurance Company—Insurance against loss of or damage to bridges in addition to the classes for which it is already registered.

United States
Fidelity & Guaranty
Company
TORONTO

The
Wawanēsa Mutual
Insurance Company
Canada's Largest Fire Mutual

A leading All-Canada Company—in volume; in strength; and in service to "select" property-owners and agents.

Home Office, Wawanesa, Man. Eastern Office: York & Harbour Sts., Toronto. Branches in Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal, Moncton.

FIRE WINDSTORM AUTO CASUALTY

LIFE BUREAU HEAD

At the recent annual meeting of the Association of Life Agency Officers, S. C. McEvenue, general manager of the Canada Life Assurance Company, was elected chairman of the Board of the Life Insurance Sales Research Bureau. The Bureau is an organization set up to improve the selling of life insurance. It represents most leading Canadian and United States life companies.

Insurance Notes

Two men last week were sentenced to prison at Montreal for operating the Canada Benefit Assurance Company as a fraud and swindling about a dozen investors of $11,000.

Investigation by the Quebec Insurance Department and special investigators of the Attorney-General's Department showed that the charter for the company had been obtained by forging 22 names on a petition. A number of people had been induced to invest through the offer of positions in the company. One man, after he had been offered the position of treasurer, put up $2,000. A woman was given the position of cashier after she had invested $1,500. Other persons invested amounts ranging from $500 to $1,400.

* * *

Fire losses in Nova Scotia in the third quarter of 1938 had a total value of $270,342, according to a report recently issued by the Provincial Fire Marshal. This was an increase of $27,291 over the same quarter in 1937. The number of fires at 292 was 59 less than a year ago. Insured loss was $7,960 larger at $183,993 while uninsured loss at $86,349 was up by $19,331.

For the first months of the year, the fire loss was $1,057,417 in 1,240 fires. This is an increase of $217,588 in the financial loss and a decline of 70 in the number of fires. Insured loss at $717,036 was up $131,426 and uninsured loss at $340,381 was up $76,162.

* * *

A successful field men's conference was held by the Great American and Associated companies at the Canadian head office in Montreal recently. The conference was timed to give production staffs in Ontario and Quebec an opportunity of formulating plans for the development of a full line of casualty business. Inland transportation and fire business were also discussed.

* * *

At the meeting of the Ontario Pond of the Blue Goose in Toronto recently, six new members were initiated. Ganders Case and Malcolm presented a report on the recent meeting of the Grand Nest. Recent appointments of Ontario ganders to the Blue Goose International were Harry Baillie as Deputy Most Loyal Gander at Large for Canada. Norman Cummings as Deputy M.L.G.G. and Norman F. Jardine as member of the Publicity Committee.

* * *

C. S. Malcolm, manager for Canada of the Royal Exchange Insurance group and C. A. Brown, casualty manager are visiting western Canada.

* * *

J. A. Sully, C.L.U., has been appointed to head the Managers Group of the Life Underwriters Association of Montreal.

* * *

R. K. Service, mayor of Galt and representative of the Canada Life in that city, has been selected by the South Waterloo Liberal Association as their candidate in the forthcoming Dominion by-election.

* * *

Annual meeting of the Casualty Actuarial Society will take place in New York City, November 17-18.

* * *

Dr. A. G. Cherrier recently elected mayor of the City of St. Jerome by acclamation is a representative of the West Quebec branch of the Canada Life Assurance Company.

Obituaries

John T. White, K.C., formerly deputy treasurer of Ontario, died at Toronto, Nov. 4, after a lengthy illness. Mr. White was born at Belleville 66 years ago. He had been with the treasury department of the province since 1915. He retired from the public service in 1935.

* * *

Sir Robert Ludwig Mond, known to Canadians as a director of International Nickel Company of Canada Ltd., died recently at Paris, France, at the age of 71.

* * *

While attending a National Hockey League game in the Forum at Montreal **Alderman J. Allan Bray,** St. Henry's representative in the Montreal city council, dropped dead. Alderman Bray had been chairman of the city's executive committee during the Houde regime and was former Conservative member of the Quebec legislature for the St. Henry division.

Federal Govt. Revenue Down

Results in October Are Less Favorable Than Last Year

Budgets results of the Dominion Government in October were less favorable than in the same month last year. Revenues were $4.2 millions lower and expenditures $3.3 millions higher. The excess of disbursements over receipts was $7.5 millions more than last year, amounting to $15.9 millions.

In each of the past four months there has been a drop in revenue compared with the same month of 1937. The reduction in October was the largest reported to date. Even income tax collections, a bright spot during the first six months, were down.

Ordinary, capital and relief expenditures were all higher in October. One would have expected relief expenditures to be lower, but grants to the provinces of $2.3 millions were charged in October this year whereas none were charged in October, 1937.

Revenues Still Ahead of 1937

Cumulative returns for the first seven months show revenues are still ahead of the 1937 level. The increase for the seven-month period is $2.1 millions, due entirely to larger income tax collections which have offset lower receipts from other sources.

Favorable results on the revenue side of the ledger are more than offset by increased expenditures. Disbursements to the end of October were $11.9 millions ahead of the same period of last year. This is largely due to increased provision for deficits of government-owned enterprises, such as the Canadian National Railways. Ordinary expenditures are $2.9 millions higher and relief costs are $4.7 millions lower.

Loans and investments made by the Government during the seven months ended Oct. 31 totalled $43.2 millions, compared with $12.5 millions in the same period a year ago. This increase is due to loans made to the C.N.R. to finance bond maturities and capital outlays.

Comparative returns for October and the first seven months are given below:

Revenue and Expenses
Month of October

	1938	1937	Change
Receipts:	$000's	$000's	$000's
Customs duty	8,008	9,490	—1,482
Excise duty	4,468	4,462	+ 6
Excise, sales tax ..	14,847	17,119	—2,272
Income tax	2,959	3,615	— 656
Post office	2,401	2,401	....
Sundry	1,813	1,593	+ 220
Special	91	153	— 62
Total	34,587	38,833	—4,246
Expenditures:			
Ordinary	44,221	43,475	+ 746
Capital	748	531	+ 219
Relief	5,484	3,144	+2,340
Govt. enterprises .	27	30	— 3
Write-offs	....	46	— 46
Total	50,480	47,226	+3,254

Seven Months Ended Oct. 31

	1938	1937	Change
Receipts:	$000's	$000's	$000's
Customs duty	48,655	57,111	—8,456
Excise duty	31,484	31,836	— 352
Excise, sales tax .	92,514	101,607	—9,093
Income tax	120,292	99,030	+21,262
Post office	18,056	18,274	— 218
Sundry	10,472	11,039	— 567
Special	400	860	— 460
Total	321,874	319,757	+2,117
Expenditures:			
Ordinary	220,927	217,956	+2,971
Capital	2,813	2,532	+ 281
Relief	18,990	23,763	—4,773
Govt. enterprises	43,109	29,776	+13,333
Write-offs	322	181	+ 141
Total	286,161	274,208	+11,953

McLean Investments Promptly Reinstated

"Difference of opinion" between auditors and the Ontario Securities Commission as to where the company assets should be deposited is given as reason for the suspension of the investment house of E. M. McLean and Co., which is now being lifted.

"We received notice of this suspension Monday morning and after an interview with Mr. Whitehead, securities commissioner on Wednesday, we were immediately reinstated," President McLean states. Deposition of assets has been adjusted to the satisfaction of the Ontario Commission.

Power Corp. Group Reports Output Higher

From Our Own Correspondent

MONTREAL. — Power Corp. of Canada's subsidiary and affiliated companies report a power output in September of 197,975,000 kw.h. This contrasts with 193,988,000 kw.h. for the same month last year, an increase of 2.05%.

Sizeable gains were shown by most of the major units, with Winnipeg Electric showing the only decline from 1937 levels.

Comparative figures follow:

(000's omitted)
(Kw.h.)

	1938	1937
Southern Canada	20,104	15,745
Canada Northern	57,457	53,795
East Kootenay	8,820	8,566
British Columbia	48,226	47,417
Northern B. C.	1,030	953
Winnipeg Electric	62,336	67,508
Total	197,975	193,988

Western Empire Life Sales Up in October

October sales of the Western Empire Life Assurance Company were the best for any one month in the last five years according to an official statement. New business, it is reported, showed a gain of 55% over October, 1937, and first year premiums paid in cash for the same period are up 82%.

This company operates solely in the four western provinces and the company's record for the year to date reflects the improved economic conditions in that territory. New business for the first ten months of 1938 is ahead 33% over the similar period of 1937.

For the same period new premiums received in cash are up 42% and the company's gain in business force is the best in the last eight years.

Fire Insurance and Allied Lines
AGENCY INQUIRIES INVITED
NATIONAL RETAILERS
MUTUAL INSURANCE COMPANY
SERVICE SAVING SECURITY

Bren Probe Comment

Recent comment by the nation's press on the revelations of the Bren gun enquiry:

Probe Not Deterrent
Ottawa Journal

"The British Government will place armament orders in Canada if, in their judgment, such orders be necessary. That we here in Canada should expect such orders, or undertake to tell the British War Office why, for their own sakes, they should place such orders here—this while we speak of our own programme as being 'solely for Canada's defense'—is to assume a rôle that our pride should protect us from.

"In the meantime, there is no basis for the assertion that the present investigation of the Bren gun contract has any bearing whatever on British orders in Canada. Or that it could have. The British people would be the last people in the world to object to or find fault with any decision by the Canadian Government to see to it that one of its own armament contracts is everything that it ought to be. That is Canada's own business, it is quite proper and decent business, and the British know it."

Nationalized Arms Making
Ottawa Evening Citizen

"One reason advanced against nationalization is that delay in establishing a government arsenal would be too great. Defense officials are reported as saying that such a policy would be fatal because of urgency of demand. But for the last six weeks defense officials have been saying in another connection that a certain former boiler works in Toronto was the only place they knew of that could make machine guns. . . .

"Under all circumstances it is not easy to see how the Dominion can avoid a policy of national ownership. The arms business is not one to be left to private contractors. It is one for honest, efficient and nonpartisan national co-operation. Besides, it will save us millions in the long run."

Patronage Menace
Galt Reporter

"Despite the experience that this country has had in many instances where the Government has had control of public undertakings, there are those who suggest that Canada ought to have its own arsenal for the manufacture of arms and munitions.

"The interest in that subject is currently stimulated by the enquiry concerning the Bren gun contract, let to a private concern.

"In principle, the theory of the Government owning its own munitions factories and manufacturing the nation's armament, is sound but in the realm of practice it is extremely doubtful. In the first place, the establishment of an arsenal would involve a tremendous capital outlay, perhaps fifty million dollars for even a modest factory. It is more than likely that some outworn political hack would be given the job of running the business. . . .

"In dealing with private contractors, the governmental system is faulty also. . . . Patronage demands that work be given friends of the Government. . . . What is desirable in Government business is that patronage be outlawed and the administration demand that its work be done at prices comparable with those prevalent in private industry. If that were insisted upon, there would be no need for the Government to go into the establishment of state-owned institutions."

Bren Gun Puzzle
Vancouver Province

The Bren gun puzzle grows more puzzling as the enquiry goes on. General La Fleche, deputy minister of national defence, insists it was the British War Office which picked the Inglis firm to manufacture the guns. But previous evidence indicates that the War Office did not know anything about the Inglis firm until Major Hahn, its president, appeared in London with credentials from the Canadian defence department.

It has also developed that the War Office hesitated to deal with Major Hahn until cables from Ottawa intimated that he was virtually the representative of the minister of defence. Even after this, the defence department had to assure the War Office it was satisfied the Inglis Company could produce the guns.

It would appear that if the War Office did pick the Inglis Company, as General La Fleche says, the Canadian defence department picked the War Office to do the picking. The question is, why? Mr. Ian Mackenzie told the House of Commons on July 1 that he never met Major Hahn until after the contract was signed.

Hon. J. L. Ralston, counsel to the commission, but who appears to be acting more in the capacity of counsel for the defence, says the contention to the end is going to be that only one source of supply of Bren guns existed in Canada—the Inglis firm. The evidence shows that the Inglis firm did not know anything about making Bren guns,

Financial Intricacies
Saskatoon Star-Phoenix

"Most persons unacquainted with the financial processes by which the capitalization of companies is raised to high figures — stock watering is a general term applied to it—will be somewhat amazed by the evidence of intricate moves from which emerged the John Inglis Co. of Bren gun fame.

. . .

"Now all this intricate operation presumably was quite all right, entirely legal and a not unusual process in the realm of company promotion. But many persons will wonder why it was necessary in order to start the manufacture of Bren guns. To the unsophisticated minds of those not accustomed to the larger spheres of business it would seem the simple way of doing the thing would be to form a company, raise the capital, get the plant and the contract and start work.

"Of course, to those who think it should have been a simple, direct job of organization and manufacture; the manufacture of Bren guns is purely a matter of the defense of Canada, and nothing else. Perhaps that is where they are unsophisticated."

Expense Allowance
Halifax Herald

"Giving evidence in the Bren gun enquiry at Ottawa, the Minister of National Defence said he was 'surprised and disappointed' to learn that Major Hahn had submitted a bill for allowance and expenses on his visit to England in November and December, 1936 . . .

"There have been a number of 'surprises' and 'disappointments' throughout this investigation. The public on their part were 'surprised and disappointed' when the Deputy Minister of Defence testified he took 'entire responsibility' for negotiating and awarding the Bren contract without inviting tenders.

"As the Ottawa Journal suggests, such a practice, if it has come, 'may be the New Bureaucracy.' It certainly is not Democracy."

Municipal Finances

London, Ont. — Operating profit of the London and Port Stanley Railway, municipally-owned road, for the first nine months of the year was $36,077. Revenue rose $8,344 above last year's total for a similar period, to reach $195,768. For the first time since the Public Utilities Commission was given the operation of the railway, monthly freight revenue dropped. During September the decrease was $865, as compared with the same month in 1937.

* * *

Hamilton, Ont.—Commissioner of Finance Eric R. C. Bower reported to the board of control that if the present percentage increase in tax collections is maintained throughout the remainder of the year, the city may anticipate a balanced budget at the close of 1938. The commissioner's comparative statement of tax collections showed this year, from the period Jan. 1 to Sept. 30, a total of $4.7 millions, or 73.24% of the current tax roll has been collected. In 1937 the collections during that period were 71.10%, while in 1936 collections amounted to 67.27% of the roll.

* * *

Toronto, Ont.—Gross funded debt of the city at Oct. 15 amounted to $158 millions, compared with $195 millions at the beginning of 1933. Unfunded capital obligations have also been reduced from $13 millions to less than $8 millions in the same period. The Hydro debt showed a decrease of over $7.5 millions; the T. T. C. debt a decrease of more than $8.5 millions. The T. T. C. is not only paying off its existing debts, but has been able to buy $3 millions of new cars out of reserves, so that no new debt has been created.

* * *

Edmonton, Alta.—In a report to the citizens of Edmonton the city commissioner states that a reduction in the floating debt of $200,000 has been made, which will be reflected in reduced bank charges. These are still substantial, however, as the bank draft is still in excess of $1 million, and will require careful financing for several years before it is liquidated. Assessment is still a source of worry to the city. In the past year there has been a decrease of over $12 millions in the net municipal assessment and it is now the lowest per capita of any city in the Dominion. Collection of taxes, both current and arrears, continues to be favorable. Included in the collection of arrears to Sept. 30, is $132,088 representing sales of tax sale land. The tax rate was struck again at 54 mills, the same rate as the previous year, although there has been a loss of over $550,000 in assessments, which means a loss in revenue of over $28,000.

AN IMPORTANT
PART OF YOUR
INVESTMENT
PORTFOLIO...

Life Insurance should be in your investment portfolio for—

(a) Expenses created by your death.
(b) Cash for probate fees and succession duties.
(c) Minimum income to your family.
(d) Guaranteed income—for the remainder of your lifetime—if you live to retirement age.

Most modern young men make life insurance the backbone of their investment portfolios.

THE EXCELSIOR LIFE - TORONTO

Let us figure on
your fire risk

NORWICH UNION
FIRE INSURANCE SOCIETY, LTD.
Established 1797
Head Office for Canada—12 Wellington St. E., TORONTO
E. M. WHITLEY, General Manager for Canada
F. W. LAMONT and C. C. PAULL, Asst. Managers

WESTERN
ASSURANCE
COMPANY
HEAD OFFICE
TORONTO
ESTABLISHED
1851
FIRE • AUTOMOBILE
AVIATION • CASUALTY
MARINE

Forestall Regrets

Unexpected losses can be prevented at negligible cost, by being insured against—Fire, Accident, Auto, Burglary, Plate Glass, Property Damage, Personal and Public Liability—in this reliable Society.

UNION INSURANCE SOCIETY
OF CANTON LTD
Established 1835
Head Office: Toronto
COLIN E. SWORD, Manager for Canada
J. W. BINNIE, Associate Manager (Montreal)

All-Canadian Trust Pays 24.4c Dividend

A dividend of 24.4 cents a share was paid on Nov. 1, 1938, on the All-Canadian Common Stock Trustee Shares. Along with the payment of 29.5 cents a share paid on May 1, this brings total dividends for 1938 to 53.9 cents a share, compared with 53.2 cents for 1937. The 1938 payments mark a new high record in dividends for this Vancouver investment trust.

The Independent Order of Foresters
Monthly Income During Disability

Certificate Plan B: Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or, payment in the event of death.

In addition, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each $1,000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.

The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.

FRANK E. HAND
Supreme Chief Ranger.
HEAD OFFICE, TEMPLE BUILDING, TORONTO, CAN.

37 YEARS

SINCE 1901 NORTHWESTERN MUTUAL HAVE RETURNED MORE THAN 23 MILLION DOLLARS IN DIVIDENDS TO POLICYHOLDERS.

BRANCHES ACROSS CANADA
Toronto, Hamilton, Ottawa, Halifax, St. John, Moncton, Quebec City, Montreal, Winnipeg, Saskatoon, Edmonton, Calgary, Kelowna, Victoria, Vancouver

NORTHWESTERN MUTUAL
FIRE ASSOCIATION
NON-ASSESSABLE POLICIES ASSETS $7,683,067

THE
MONARCH
LIFE ASSURANCE COMPANY
ESTABLISHED 1906
A STRONG PROGRESSIVE COMPANY
OFFICES FROM COAST TO COAST

Does the British Empire Want Alberta Oil?

Present Reserves are Low
Poor Strategic Location

By **RONALD A. McEACHERN**
Staff Writer The Financial Post

Just how much does Alberta oil matter to the British Empire?

Just how seriously should Canadian oil interests take the hints that have been coming from London in recent months that the British Government is concerned about developing the Alberta oil fields and making them ready for peace and war-time needs?

Malcolm MacDonald, Colonial Secretary, not long ago announced in the British House of Commons, "Considerable activity has taken place in Turner Valley and other Alberta oil fields as a result of the British Government's determination to develop the oil resources of the Empire."

How much Britain is going to invest in developing or marketing Alberta oil no one yet knows. Through what agency they are probing Alberta oil possibilities can only be guessed—for the agents don't talk.

But here are a few facts about Britain's oil position which at least give a few hints of the concern with which Britain must now be watching this rich new Canadian development.

The British Empire now produces less than 2% of the world's total oil output. She produces less than 5% of her own oil needs. British Empire fields during the past two years have increased their output, but that increase has not nearly kept pace with increased demand.

For British demand is soaring. The conversion of her ocean fleets, both mercantile and naval, to oil burners continues. The air force is a tremendous gasoline user and construction of a vast air armada is a cornerstone of British defense plans. Mechanization of the army creates another vast petroleum demand.

Dangerously Located

But much more important than her need for oil increasing by leaps and bounds is this: Britain's main sources of oil supplies are dangerously located. They are at the far end of the Mediterranean—past the empire of Mussolini, past areas in which the Nazi economic influence is growing, on Russia's very doorstep.

A single military reverse in the Mediterranean might close to Great Britain those two vast fields, Syria and Persia.

Oil is the only key raw material for which the British Empire is starved.

Here are the world's chief sources of supply. United States, 75% of the world's annual production; Venezuela, 13%; the Soviets, 3%, and Iran (Persia) 5.5%. Those four countries produce 96% of the world's annual oil needs.

Britain's empire supplies are insignificant. Trinidad produces around 13 million barrels per year. British Borneo produces around 4.6 million barrels. British India, 9.6 millions. Canada this year will produce around 6 million barrels. That's a total of some 33 million barrels produced in the British Empire. World production is nearing 2,000 million barrels.

It is not hard to see why Britain is interested in getting more oil within the Empire; why geologists representing British interests are coursing up and down the world year after year trying to find more oil.

Hunt for Oil

Don't suppose the British Empire has not been combed for possible oil-bearing lands. Millions upon millions of dollars have been spent trying to turn little seepages of oil into oil fields. They have hunted for oil in Australia and New Zealand, in Nigeria, in the Gold Coast, the Soudan, British Somaliland, Uganda, Nyassaland, British Guiana, New Guinea and within the United Kingdom itself. None have so far given indication of enough oil or favorable geology to merit further exploration. In northwestern Newfoundland oil has been found, but extensive exploration proved up no important oil pool and the official conclusion was that Newfoundland's oil would never be of more than local importance.

But is Alberta too far off world trade routes, too far from the probable scene of a war, too far from big petroleum markets to be really useful?

It would be better if Canada's oil fields were located in northern Quebec or in northern Manitoba, for instance, where the crude would have a relatively short trip to tidewater.

But when the Empire's oil need is so great, the transportation difficulties argued against Alberta oil lost most of their weight.

Marketing Problems

Through her control of the Anglo-Iranian Oil Company, the British Government has a very direct interest in oil fields outside the British Empire. These fields are currently providing her with most of her oil supplies.

Glance at the marketing problems for the Iraq and Persian fields. See how they compare with Alberta in a world at war.

Kirkuk is the centre of the Iraq oil field now dominated by the Iraq Petroleum Co. This is a company owned by a group of world oil interests, including Standard Oil, Shell, Royal Dutch and companies controlled by the British and French governments.

From Kirkuk two pipe lines stretch to the sea. One pipe line, 1,200 miles long crosses the Tigris and Euphrates rivers, across the Iraq plain, through the State of Trans Jordan, across Palestine to the coast at Haifa.

The other pipe line, even longer, goes from Kirkuk through Syria to Tripoli.

A recent instance dramatically shows the connection between oil and war and politics.

West of the Tigris River, east of the Euphrates and northward toward Mosul there was a vast oil area in which the big oil group just mentioned had no stake. In 1932, a 45,000 square mile concession in that area was obtained and shares in British Oil Development Co. were sold throughout Great Britain.

Suddenly, in September, 1935, at the very peak of the Anglo-Italian crisis, two of the English directors of this company resigned in protest because control of the concession had been sold to a company controlled by the Italian Government.

—Photographic Arts.

Britain is deeply concerned in the success of this Alberta driller.

Italy's Position

Mussolini needs oil even more than Britain, for his ships don't control the trade routes of the world. By securing possession of the Mosul oil field, Il Duce had got control of vital oil supplies for war in Ethiopia. What was more important, he was in position to seize the two pipe lines already referred to and cut off vital supplies for Britain and France, then threatening to be his enemy.

In June, 1936, Britain abandoned Ethiopia. In August, it was officially announced that the Iraq Petroleum Co. had purchased the Mosul oil field outright from the Italian government interests. And Iraq Petroleum Co. turned out to be the same big group made up of Shell, Standard and the British and French government companies. This group now holds every mile of known oil-bearing ground between Kirkuk and the Mediterranean.

The Persian field, farther north and east, is very rich and has long been regarded as an important British source of supply. But Persian oil fields are completely under the shadow of the Soviets. Persian oil is, in cold fact, only open to those Russia wills.

With Italy building up her power in the Mediterranean and with the German sphere of influence, political and economic, extending through central Europe, Britain's oil situation becomes much more serious. While she controls Gibraltar, Malta and the Suez, her main oil supply is fairly safe. But it depends on the Mediterranean continuing to be a British, not an Italian, lake.

Behind Palestine Problem

Oil is a major concern behind the current Palestine problem. While oil has yet to be found anywhere on the shores of the Mediterranean, geologists for some time have been asserting that Palestine looks hopeful as another oil field.

Important oil supplies in Palestine would be extremely important to Britain. For oil near the Palestine coast would be the closest Britain has. Following are distances in miles of various world oil fields from Le Havre. (Distances would be approximately the same to London.) From Haifa (Palestine coast) to Le Havre is 2,565 miles; from the Rumanian coast, 3,623; from the Russian coast (Batum), 4,071; from Abadan on the Iranian (Persian) coast, 7,349; from Galveston on the Texas coast, 5,537; and from Los Angeles, port of the Californian coast oil fields, 8,688 miles.

Palestine's proximity to the principal markets would offer a valuable commercial asset in competition for markets. But Palestine has the same strategic deficiencies as Iraq or Iran.

Mexican Oil Fields

For many years the Mexican oil fields have been regarded as an important and strategically good source of oil supply for Britain and her allies. In the past, world oil interests have had very good success in influencing Mexican political affairs in a manner agreeable to their own interests. Now Mexico has confiscated foreign-owned oil lands and President Cardenas has so far given little indication of willingness to compromise.

United States and South American oil resources are another source of British Empire supply. The problem there, however, is that United States takes a vast amount of oil for her own needs. Furthermore, even if United States has oil sufficient to sell Britain in time of war, there is this problem: United States, neutral, would not likely be a satisfactory oil source.

In other words, depending for war-time oil supplies on United States involves a war risk that Britain is no longer taking. Britain is not filling in those trenches dug in the London parks. They are just being covered over. Britain is stocking up food supplies that would withstand months of siege. In caring for her oil needs, Britain is not likely to be any less careful.

"The allies floated to victory on a sea of oil," declared Lord Fisher after the Great War. Historians now agree that the fundamental factors in the war in the East, in Mesopotamia and the rest, was control of oil resources.

"He who owns the oil will own the world," declared the distinguished French Senator, Henri Beranger. "For he will rule the sea by means of heavy oil, the air by means of ultra-refined oils and the land by means of gasoline. And, in addition, he will rule his fellow man in an economic sense by reason of the fantastic wealth he will derive from the oil, that fabulous substance that is more sought after and more precious than gold itself."

Promise of Alberta

Those are some reasons why the British Government is interested in Alberta oil. The needs of the Empire are dire. If Alberta is far away from main oil markets, she is also far enough away to be safe from attack and probable outlets for her pipe lines are easy of defense.

The cost of a pipe line, $10 to $25 millions, just about the cost of a single warship, is insignificant compared with the purpose served. Alberta is the most promising oil field now under development in the British Empire. Almost every other corner of the Empire has been searched and geologists have turned away with little hope.

Known world oil reserves will be exhausted in about 13 years, geologists estimate.

Alberta is Britain's big hope.

PHOTOSTAT PRINTS
For Copies of
LETTERS - CHECKS - CHARTS - BLUE PRINTS
TRACINGS - COURT EXHIBITS
PHOTOGRAPHS, Etc.
Commercial Photoprints, Ltd.
AD. 3441 24 Adelaide St. West
TORONTO

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

We Manufacture
Envelopes
for every purpose
Barber-Ellis
of Canada, Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

NORTHERN CANADA
MINES LIMITED
New mines financed, managed and developed to production.
44 Victoria Street, Toronto, Can.

Investors' Chronicle
6d. Established 1860 6d.
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post card application to:
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

Survey of Mines 1938-9

The new Financial Post Survey of Mines is out this week and on thousands of desks across Canada and in Newfoundland this smart new volume is replacing last year's Survey.

The 1938-39 edition, besides doing its job of covering in handy reference form the affairs of more than 2,000 mining companies, including foreign concerns in which there is a Canadian investment interest, gives up-to-date information on new mining fields.

Another feature is a special section showing maps of the important Canadian mineral areas.

Vast progress has been made during the past year in Canadian mining, with mineral production and dividends paid reaching new all-time highs.

The Financial Post Survey of Mines shows mineral production, both of the Dominion and of the provinces for many years back. It shows dividends paid every year since the first Canadian mine made a distribution in 1896.

The mine stock market is covered in detailed form in the section which shows the high and low price of every listed mining stock from January, 1931 to October, 1938.

Another table, especially interesting to manufacturing concerns which sell products to the mines, is a list of mining and milling plants in Canada with the names and addresses of operating officials. Base metal production has been extremely important during the past year and a table shows the price range of metals from antimony to zinc from 1929 to date.

The main body of the book is, as in former years, occupied with coverage, company by company, province by province of the active Canadian mines. Since the number of active mines is continually growing, editors this year have stressed coverage of each company without sacrificing essential details.

Result is that a more comprehensive Canadian mining picture is given than ever before.

Errowana Has Good Ore Shoot

Errowana Gold Mines has been formed with a capitalization of three million shares to take over the Rowan Lake properties of Joseph Errington and Smelter Gold Mines, 78 claims in all, for a consideration of 1,000,000 Errowana shares, of which Smelters Gold Mines holds a controlling interest, according to a statement released by Smelter Gold officials.

On the main Errington claims, taken over by the new company, two parallel gold deposits have been located Considerable work is stated to have been done on what is considered the main deposit showing a length of 450 ft. averaging $22 per ton across a width of 30 inches. A substantial tonnage of better than $20 ore is stated to be indicated by surface work and diamond drilling. The second parallel deposit, approximately 1,000 ft. from the main vein, shows gold values for a length of 200 ft.

Present plans call for the installation of a mining plant to carry out underground exploration. Operations have already been started by the Errowana company.

Say Base Metal Outlook Is Unusually Favorable

"This is a metal age, but not in a decade has the base metal outlook been of such compelling interest to the Canadian investor," declares the monthly bulletin of Midland Securities.

"Base metals are Canada's fastest growing export. Today they comprise 21% of Canada's total export trade amounting to almost $138 millions.

Cline Lake Gold Mines Reports Total Recovery

From Our Own Correspondent

MONTREAL.—Cline Lake Gold Mines reports recovery from commencement of operations on July 4 to October 22 amounting to 2,865 oz. of gold valued at $100,279, from a total of 16,947 tons treated, with an average grade of $6.09 a ton.

In issuing the report the company says: "It should be kept in mind that these results represent the preliminary period during which the mill is being tuned up, mainly on low-grade material from underground development and surface dumps, and the mill circuit was being saturated."

Holding Company Earns $1.31 a Share

Placer Development Ltd. Has Interests in South America and Australia

From Our Own Correspondent

MONTREAL.—Net profit of Placer Development Ltd. in the year ended April 30, 1938, was equivalent to $1.31 a share on its 730,000 shares of capital stock.

Liquid assets consist largely of cash. Working capital amounts to $854,737. Other assets of the company consist of loans of $177,725 to Pato Consolidated Gold Dredging, advances of $141,067 to Clutha Development Ltd., 306,278 shares of Bulolo Gold Dredging carried at $9,476,108 and investments in other companies carried at $2,670,541.

Asnazu Gold Dredging

In Asnazu Gold Dredging Ltd., which operates properties in Colombia, S.A., Placer Development has a 41% interest. In the year ended April 30 last Asnazu Gold Dredging had a working profit of $436,276 after deducting Colombian taxes of $116,642, but before depreciation and depletion.

In Rutherglen Gold Dumps Ltd., an Australian company, Placer Development has a 64% interest. Net profit of this company in the year ended April 30, 1938, subject to depreciation and depletion, was $111,052.

Gold Dumps Proprietary Ltd., another Australian company, treats tailings from old dumps. Placer Development owns an 83% interest in this company which had a working profit of approximately £10,000 from September, 1937, to April 30 last.

Income and Surplus Account
Year Ended April 30, 1938

	$
Dividends received	1,085,879
Int., disc. & exch.	29,772
Total income	1,115,651
Less: Adm. & gen. exps. (net)	56,271
Property examination	101,489
Income taxes	1,398
Net profit	956,493
Less: Dividends	876,000
Surplus for year	80,493
Add: Prev. surplus	1,229,082
Balance forward	1,309,574

Working Capital

	$
Current assets	862,431
Current liabilities	7,694
Working capital	854,737

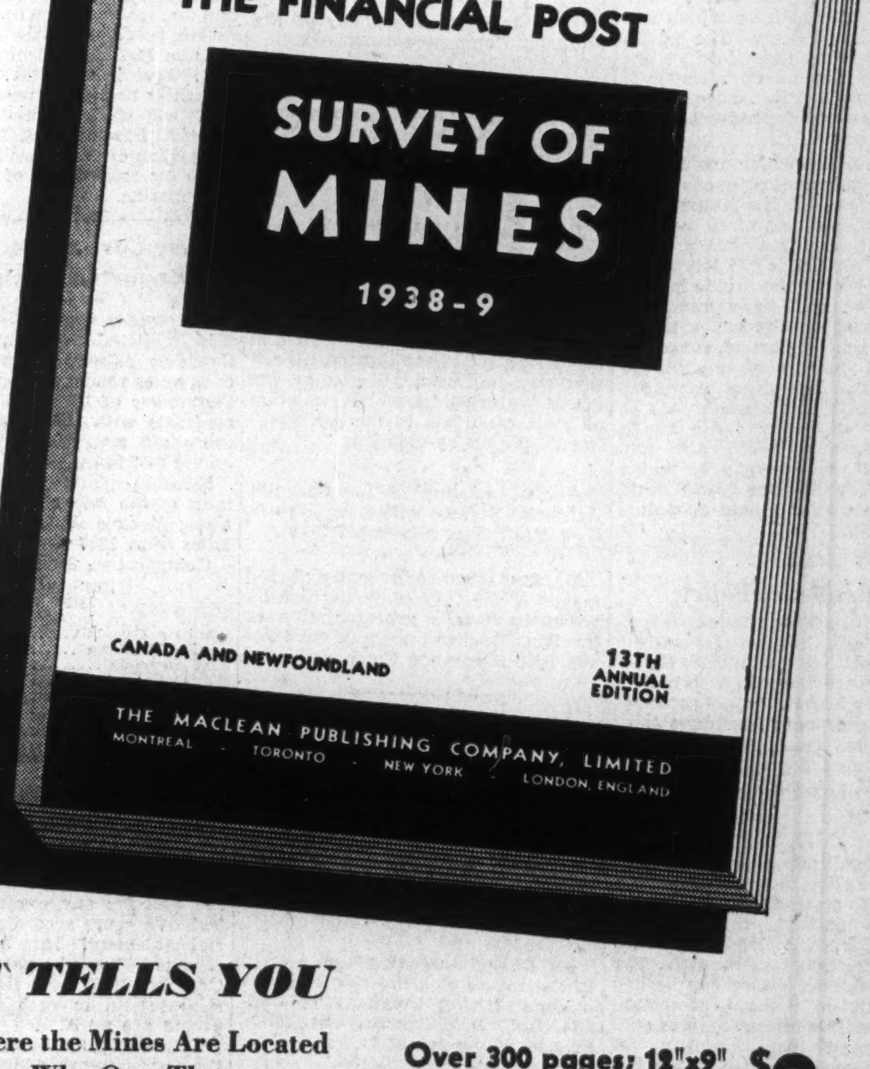
N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

A. E. OSLER & COMPANY
ESTABLISHED 1886
MEMBERS TORONTO STOCK EXCHANGE
Inquiries invited regarding any Industrial or Mining Stock.
Osler Bldg., 11 Jordan St. Phone ADelaide 2431

THE SAFE AND SAVE
HOT-SHOT
ANTI-FREEZE
PRODUCT OF GOODERHAM & WORTS, LIMITED
HOT-SHOT
ANTI-FREEZE
MORE ECONOMICAL
RETARDED EVAPORATION
NON CORR
GOODERHAM & WORTS

NEXT TO YOURSELF
who is best qualified to manage your Estate for your family?
After you have gone, your affairs should have management capable of coping with the problems which the ownership of property involves. Our Trust Officers will be glad to discuss with you how a Trust Company can bring economic and effective management to your Estate. There is, of course, no obligation.
MONTREAL TRUST COMPANY
61 YONGE STREET, TORONTO
Toronto Office:
J. F. HOBKIRK, Manager

Here It Is!



THE FINANCIAL POST
SURVEY OF MINES
1938-9
CANADA AND NEWFOUNDLAND
13TH ANNUAL EDITION
THE MACLEAN PUBLISHING COMPANY, LIMITED
MONTREAL - TORONTO - NEW YORK - LONDON, ENGLAND
Just Off the Press
The most complete analysis available of the mining industry of Canada and Newfoundland. The product of over 30 years' experience of providing sound and useful information for investors and others.
Indispensable to mine operators, mine executives, financiers, shareholders and those selling equipment, supplies and services to the mining industry.
On producing companies, a full record of production, costs, earnings, dividends, financial structure and details of directorate and personnel. Companies under development fully covered.
Every mining area, every mining camp of consequence shown by accurate, exclusive, up-to-date maps.
IT TELLS YOU
Where the Mines Are Located
Who Own Them
Who Operate Them
Their Financial Structure
Development Results
History of Operation
Record of Production
Price Range of Stock
Dividend Records
Maps of Areas and Properties
Metal Prices
Facts and Figures About the Canadian Mining Industry
Over 300 pages; 12"x9" Price Per Copy Postpaid $2
YOUR ORDER FORM
THE FINANCIAL POST,
481 University Avenue, Toronto, Canada.
Send me postpaid ..... copies of The Financial Post SURVEY OF MINES, 1938-9.
Herewith $ .... in payment.
Name ....
Address ....
953

Week in Mining

Astute Buying Boosts Some Junior Laggards

For Some Issues, Prices Behind What Property Developments Would Seem to Justify — Base Metals Still Highly Favored

It's been a dawdling week for the mine stock market and the U. S. elections are a convenient excuse. What they have to do with the value of Canadian mining shares no one can give any good reason, but it's an excuse and apparently affords some comfort.

But though few are satisfied with the performance of the market, some notable things have been happening. For instance, late last week, some alert buyers came into the market for some of the juniors. Prices on some of these had been lower than ore developments at the property would seem to justify. They had been lagging for some weeks and no one seemed to have got out a pencil to figure out how much they were worth. The buying promptly hoisted the price closer to what would seem a "fair" price.

Noranda and Waite Amulet spent most of the week pushing toward new highs. Noranda got to $83 last year for its all time high. But since then important expansion has taken place in the Noranda holdings and the base metal situation generally looks better. We met one prominent investment counsellor who says he is encouraging his clients to stick with Noranda and let the profits pile up for at least another 10 points. When that time comes, he will take another look at the whole Noranda picture, probably to renew his advice.

President Murdoch is expected back shortly from Europe. Since he does the talking for the whole outfit, he will probably have a fresh batch of Waite news. Furthermore, that mill decision was promised for about now.

* * *

Still Base Metals

Overseas demand for base metals fell off a bit recently, but it is significant that there were no signs of weakening in base metal prices. Altogether, the outlook seems clearer than ever that the last quarter of the current year will show base metal producer earnings the best for at least three years.

The copper situation is probably the strongest of the three, and copper concerns the greatest number of Canadian properties. Supply and demand for copper is now fairly well balanced. Whether copper price will move higher is currently one of the great arguments for every market observer. Many are confident that the price climb will soon be resumed. Others are less sure and are waiting to see the extent to which increased copper production will be offset by increased consumption. On the bullish side there is the consideration that most trade indices are looking better and that copper stands to gain from almost any concrete manifestation of business improvement.

* * *

The Treaty

The lead and zinc picture chiefly affecting Consolidated Smelters is a little less favorable. Canadian lead sales are holding up well. Zinc has recently been off a bit and the price tending to ease.

United States base metal interests have recently been warning President Roosevelt that if there is anything in the trade treaty making things more favorable for Canadian base metal producers getting into the American market, they will—mildly—raise Cain. The trade treaty may be announced before this is read. Canadian base metal producers we have asked deny knowledge of anything in the treaty affecting them one way or the other. But there has been guessing that some of the base metals might be included, in a way that would improve things for Canadian producers.

* * *

Armament

Is the subject of nationalization of the armament industry going to come up again? How does that affect the base metal outlook?

The British news letter, The Week, has this comment on that point: "According to our information there is no ground for alarms expressed on the stock exchange regarding the possibility of any serious control by the Government of profits in the armament business. The position is that the Government and its advisers, many of whom are themselves heavily engaged in the armament business and speculation in armament shares and thus in a position to estimate the situation in the most practical way, are convinced that no such scheme is really possible.

"It is understood that for political reasons it may be necessary for rumors of government control, and even rather strong statements on the subject to be issued from time to time, but it is, we are informed, hoped in government circles that these will have no unduly depressing effect on the stock exchange."

* * *

Zinc Tariff?

Probability that Britain will set up tariff restrictions against Canadian zinc is indicated in the recent announcement of the Import Duties Advisory Committee. The recommendation of this body must, of course, be implemented by the British House of Commons, but The Investors' Chronicle (London) thinks this not unlikely.

The Imperial Smelting Corp. was founded under government auspices and long fostered by a government contract to supply concentrates at a price which involved the Treasury in a deliberate loss. Reason for this policy was Britain's sad experience at the time of the last war. In 1914 most zinc smelting was done in Germany.

"Admittedly," says the Chronicle, "the great Canadian smelting industry has arisen since those days. But even a Canadian company might not resist the impulse to raise prices against us if we were compelled to rely entirely on smelters outside this country. The Imperial Smelting Corp. gives fair assurance that the zinc squeeze of the last war cannot be repeated."

* * *

"Easy"

"What makes it easier for the Government to assent to the latest request for protection is that the new scheme has been drafted most ingeniously to enlist the support of those very Dominion smelters whose competition has been Imperial Smelting's chief problem. It is proposed that the present import duty of 12s. 6d. a ton on foreign metal should be increased to 30s. a ton; that Empire zinc should remain on the free list as far as import duties are concerned, but should sell at a premium of 30s. per ton (instead of 12s. 6d.) over the London Metal Exchange contract; and that the importers of Empire zinc should pay to the Imperial Smelting Corp. 10s. per ton imported and another 5s. per ton on their own production. Imperial Smelting would also pay into the pool 5s. per ton on its own production."

The Chronicle thinks this would keep everybody happy, keep the Imperial Smelters prosperous, not weigh too heavily on the Canadians and the only victim be the British zinc user who would have to pay $750,000 more for his zinc needs.

* * *

Fluttering

There was great fluttering in mining circles the other day when the Ontario Gazette came out announcing that 200,000 acres of north country land was to be thrown open. But, apart from a few cases, mining men found little in the hundreds of parcels offered of interest. These were lands set aside years ago for veterans of the Fenian Raids and the South African War. Reason for the release was non-payment of taxes.

Thousands of these parcels were located in "mining" country. But most of them seem to be quite a way off from areas now proven or of present interest to prospectors. There were exceptions; for instance, some blocks in Hoyle township north of Pamour, Hallnor et al. Other parcels in Eby township, southwest of Swastika, were thought by one geologist we talked to as being well worth looking at. In fact, he thinks Eby is one of the neglected areas of the North.

* * *

Dome Takes More

Dome Mines is giving every indication of taking the Yellowknife pretty seriously. Back in September they staked 40 claims in the Pensive Lake area and this week they announce a deal with Chan Yellowknife for acquiring another 24 claims. Exploration work is now going on.

Legal Directory

Victor A. Sinclair, K.C.
Formerly Chairman, Workmen's Compensation Board, Ontario.
Special attention Workmen's Compensation, Social Insurance, Life Insurance, Corporation and Commercial Law.
1503 Canada Permanent Bldg.
TORONTO, CANADA

FENNELL, PORTER & DAVIS
ROBERT FENNELL, K.C. DANA H. PORTER
BRUCE P. DAVIS
BARRISTERS, SOLICITORS
Telephones ADelaide 7382-7383-7384
CABLE ADDRESS, "THIMSON."
TORONTO CANADA

LANG & MICHENER
BARRISTERS, SOLICITORS, ETC.
DANIEL W. LANG, K.C.
D. R. MICHENER C. M. RICKETTS
H. S. DAY E. B. JOLLIFFE
372 BAY STREET, TORONTO
TEL. WA. 2931
CABLE ADDRESS "LAMER"

DAY, FERGUSON, WILSON & KELLY
BARRISTERS, SOLICITORS, Etc.
JAMES E. DAY, K.C. THOMAS J. DAY
ROLAND F. WILSON, LL.B.
ARTHUR KELLY H. EMERSON MARTIN
1116 FEDERAL BUILDING
85 Richmond St. W. Toronto 2

McLAUGHLIN, JOHNSTON, MOORHEAD & MACAULAY
Barristers, Solicitors, Notaries
302 BAY ST., TORONTO
Telephone: ELgin 4217
L. Macaulay, K.C., M.P.P.
H. J. McLaughlin, K.C.
W. W. McLaughlin
D. C. Wells R. F. May
H. W. Alles R. H. Soward
L. B. Webster J. M. Magwood

Pitblado, Hoskin, Grundy, Bennest & Drummond-Hay
Barristers, Solicitors, etc.
WINNIPEG, CANADA

Sherritt-Gordon Mill Rate Higher

Operating Profit Declines Slightly—Sales Are Lower

A total of 175,988 tons of ore were treated by Sherritt Gordon Mines during the third quarter of 1938, with the mill operating on a basis of six days per week. This represented an average of 2,227.7 tons per mill day or 1,913 tons per calendar day as compared with 1,718 tons per calendar day, the previous three months. Copper content of ore treated was down approximately seven tenths of a pound per ton.

Operating profit in the September quarter was $162,267 compared with $163,847 the previous quarter. While copper production was higher as shown below, sales declined to 6,550,833 lb. from 7,493,474 lb. Higher copper prices, however, prevented a large decline in gross metal income. Due to the company's policy of valuing copper inventories at working costs of the current quarter, an item of $42,818 is included in the third quarter operating income for inventory adjustment as against a deduction of $919 the previous quarter.

Diamond drilling below the 6th level horizon was continued through the third quarter. By the end of the year sufficient data should be accumulated to permit estimates of tonnage and grade being made for the block between the 6th and 9th level horizons.

A detailed geological survey of the northerly section of the property is being made. Structure appears to be very similar to that of the known ore-bearing section, although no ore outcrops have been found to date.

Operating Results, 1938
Quarter Ended

	Sept. 30	June 30
Metals Produced:		
Copper, lb.	7,409,262	6,698,223
Gold, oz.	1,609,216	1,429,844
Silver, oz.	54,127.95	48,467.92
Copper Sales:		
Gross sales‡	$639,970	$661,327
Add: Inv. adjust.*	42,818	▲919
	682,788	660,408
Less: Net cost, after cred. pres. metals	520,521	496,561
Operating profit†	162,267	163,847
Tons milled	175,988	156,410
Tons daily	1,913	1,718

*Copper inventories are carried at the working costs of the current quarter.
†No allowance has been made for taxes, depreciation or deferred development.
‡Resulting from copper sales of 6,550,833 lb. in September quarter and 7,493,474 lb. in the June quarter. ▲Debit.

Beattie Buys Shares of Dumico; Options Property

A deal has been completed by Beattie Gold Mines, Halliwell Gold Mines and Dumico Gold Corporation under which Beattie Gold Mines purchases shares in Dumico Gold Corporation and takes an option on the Dumico property with an exchange of Beattie shares for Dumico involved if the option is exercised. According to a statement released by the president of the companies mentioned above and of Duparquet Mining Co., which holds an interest in Dumico Gold Corporation, Beattie has bought 300,000 Dumico shares from Halliwell Gold Mines and has taken over an option on 1,000,000 shares formerly held by Halliwell. Dumico Gold Corporation has agreed to call a special meeting of shareholders to approve granting an option on its entire property and assets for one share of Beattie for each two shares of Dumico outstanding, option to run concurrently with option on Dumico shares now held by Beattie.

Shaft has been sunk 750 ft. on the Dumico property with the station and crosscut at the 750-ft. level passing through 18 ft. of ore with assays, so far, averaging from $9 to $10. The shaft has just entered the new ore zone and a great deal of work is necessary before size and importance can be determined. Operations continue under D. H. Angus, assisted by the Beattie staff.

According to the statement released, the option whereby Beattie shares may be exchanged for Dumico shares will only be exercised in the event an ore body of major importance is opened up.

The Week in Oils

Success at Anglo No. 1 Widens Turner Valley

No One Yet Sure of Okalta 6 — Repeal of Gas Conservation Act Regarded Astute Move — Dissenters May Form New Group

From Our Own Correspondent

CALGARY.—Anglo Canadian No. 1 is definitely a producer. That is the declaration of F. P. Byrne, managing director of the company, and the conviction of oil operators in the field.

Production figures are not yet available and the well will get at least one acidization this week.

The success of Anglo Canadian No. 1 definitely extends the Turner Valley field a third of a mile toward the west.

Okalta No. 6 is still somewhat of a puzzle. A prominent independent oil geologist believes that Okalta No. 6 will prove to be a well. Other geologists are still rather sceptical. Work on Okalta has been resumed and definite word of its importance should be forthcoming shortly.

Still Hope

Tests at Okalta No. 6 so far indicate that the salt water is confined to the lower lime horizon. The management states that on the advice of experts they are cementing off the water horizon or about 70 ft. at the bottom of the hole. The upper lime horizon will then be acidized and a production test of the upper horizon will be made.

One experienced technical man points out that water is often encountered in rich United States fields. If the water is a stagnant pool it is not likely to be serious. If, on the other hand, it is hydrostatic or under great pressure it will likely be quite serious.

From present available information oil men believe Okalta No. 6 is located on the western edge of the oil water line. If such is the case, it establishes the width of the Turner Valley field at 1¾ miles.

* * *

Home 2 Next

Dr. Sanderson, geologist for Home Oil, has positively denied rumors that Home No. 2 drilling in the northwest corner of Turner Valley field has encountered a fault. The well is now drilling around 7,850 ft., just above the lime. This is now the most important test in the field.

* * *

Astute

Move of the Alberta Government repealing the Gas Conservation Act, hence preventing the attack on this legislation being carried farther in the courts, is regarded as an astute coup by the majority of oil interests who are supporting conservation measures for Turner Valley. There was wide doubt whether this legislation would stand in the courts. At the same time the waste that would follow a let-up in the conservation regulations made it desirable that regulation be continuous and immediate.

The special session of the Alberta Legislature will replace the old gas conservation legislation at once, it is understood.

Royalite Oil Company, it is understood, is amending its gas contract with the Calgary Gas Company permitting independent operators to share in the available gas market. In the future Royalite will buy as much gas from the independents as their allowable permits them to produce.

* * *

Dissenters

Possibility that a new oil organization will be formed is indicated here. Maynard Davies, president of Davies Petroleums, has resigned from the Alberta Petroleum Association. William C. Fisher, president of Model Oils, and several other independent operators, say they, too, are resigning and forming their own organization.

Mr. Davies charges the Association is controlled by the "big interests," and that the investigation regarding pipe-line rates from Turner Valley to Calgary, the request from British groups to send a representative to the United Kingdom and other important matters, have been sidestepped.

* * *

Herbert Greenfield, former premier of Alberta, has been elected president of the Alberta Petroleum Association. F. M. Graham is vice-president and E. W. Kolb, secretary-treasurer.

* * *

Anglo Speedy

Anglo-Canadian is at work on its new "wildcats." At the Castle River structure, the derrick is erected and equipment is rapidly being rigged up. It is expected that drilling operations will be under way by this week end. This well will be known as Anglo Castle River No. 1 and is located near the old Weymarn Well. Anglo expects to get started this week on the Savannah Creek structure. The road to the location is now completed and the derrick is being erected. The Anglo Milk River No. 1 well, located on the Bridge Dome structure, is standing cemented at 1,950 ft. and drilling is being resumed shortly.

In addition to the above wildcats, the Anglo is going to drill a test well on the Steveville structure where the company holds 19,000 acres. The well location will be selected this week, according to an official of the company.

Central Manitoba Buys Berens River Shares

Annual report of Central Manitoba Mines for the year ended Aug. 31, 1938, discloses the purchase of 25,000 shares of Berens River Mines at $1 per share, with options on an additional 25,000 shares at the same price. Berens River Mines is erecting a 225-ton mill which it is expected will be operating before June, 1939.

While Central Manitoba has been active in the prospecting field, no commercial ore bodies have been located, although diamond drilling disclosed values on claims in northwestern Ontario in which an interest is retained.

A considerable loss was incurred in realization on supplies, causing more than half the total loss of $20,704 for year ended Aug. 31, 1938. Prospecting expenses for the period were carried forward in development account.

Balance sheet at Aug. 31, 1938, showed current assets of $287,705, including cash amounting to $165,113 and call loans of $40,000. Current liabilities were $26,638.

Mining Dividends

	Rate	Nov. 7	%
Anglo-Huronian	10c	3.15	3.1
Beattie Gold	10c	1.33	7.5
Bralorne	60c+40c	9.70	*10.3
Buffalo Ankerite	$1	14.00	7.1
Bulolo Gold	$3	24.00	12.5
Can. Malartic	6c	.87	6.9
Caribo Gold	10c+6c	2.45	*6.5
Central Patricia	16c+2c	2.45	*7.3
Coniagas	25c	1.50	..
Coniaurum	10c	1.52	..
Cons. Smelters	50c+50c	65.25	..
Dome Mines	$2	32.50	6.2
Falconbridge	30c	5.90	5.1
Gunnar Gold	6c	.64	9.4
Hedley Mascot	12c+4c	1.10	..
Hollinger	65c+45c	15.25	7.2
Howey Gold	4c	.25	..
Hudson Bay	$1.50	34.12	4.4
Inter. Mining	35c	8.75	..
Int. Nickel, com.	$2	57.25	3.5
Island Mountain	10c	1.15	8.7
Jack Waite	†1½c	.35	..
Kerr Lake	5c	.51	9.8
Kirkland Lake	8c+2c	1.26	*7.9
Kootenay Belle	16c+2c	1.43	*12.5
Laguna	†5c	.12	..
Lake Shore	$4	51.00	7.8
Lava Cap M.	8c	.85	..
Leitch	†2c	.70	..
Little Long Lac	20c	2.79	..
Macassa	20c	5.35	3.8
McGillvray Creek	1½c	.23	..
McKenzie Red Lake	12c	1.35	8.9
Moneta	†3c	1.25	2.4
McIntyre Porc.	$2	51.75	3.9
Noranda	‡$2	81.87	..
Nipissing	15c	1.73	..
North Empire	50c	8.40	5.9
Oro Plata	†4c	.45	8.9
Pamour Porc.	‡12c	4.70	2.5
Paymaster	1c	.58	..
Pioneer, B.C.	40c	2.46	16.2
Pickle Crow	40c	5.15	7.8
Placer Develop.	$1.20	15.50	7.7
Premier	12c	2.24	5.3
Reno	10½c	.23½	..
Sheep Creek	12c+4c	.88	*18.1
Silbak Prem.	8c	1.90	4.2
Siscoe	20c+1c	1.52	*13.8
Sudbury Basin	10c	2.80	3.6
Sullivan Cons.	5c	.92	5.4
Teck-Hughes	40c+5c	4.80	*9.4
Toburn	8c+6c	2.15	*6.5
Ventures	37½c	5.70	6.5
Wright-Harg.	40c+30c	7.80	*9

*Yield includes bonus. ‡Interim.
†Initial

HOW TO MAKE MONEY IN THE DIVIDEND GOLDS OF CANADA

There is only one sure way: GET THE FACTS, BUY AND SELL ON FACTS. There are 41 producing gold mines of Canada that pay dividends with yields of from 4 to 15 per cent; 39 are listed on the Toronto Stock Exchange. In 1937 only one gold mine passed its dividend. In 1938 only one gold mine passed its dividend. There is no investment that will bring you a greater return on your money than the Dividend Golds of Canada, PROVIDED YOU WATCH DEVELOPMENT AT THE MINES IN WHICH YOU HOLD SHARES.

Our monthly market letter, the DIVIDEND GOLD DIGEST, will keep you fully informed on all the Dividend Golds of Canada. Price only $2 a year—12 monthly issues. Sample copy gladly sent on request—no charge.

Crawford Wright & Company
197 BAY STREET, TORONTO, ONT.

Naybob Success Opens Up West End for Porcupine

From Our Own Correspondent

TIMMINS.—Another phase in the renaissance of pioneer properties in the Porcupine camp is the resurrection of the "old Hayden" into the new and vigorous Naybob Gold Mines which this month entered production with a 150-ton mill after over $1 million had been spent by former operators and four miles of underground workings opened up.

When R. J. Naylor and his associates entered the scene in 1934 the property was poorly regarded, both inside and outside the camp. It had been the graveyard of several fortunes and although it had reached production and had penetrated by shaft to a depth of 700 feet, the ore situation had never really reached a satisfactory condition and much work was required to make the mine show anything like profitable possibilities. "Bob" Naylor, however, witnessed the miracle of the Pamour, the Preston and the Moneta. He was not deterred by that section of professional opinion which held the mine could never become anything other than "the old Hayden."

Called in Hatch

With his directors and his partner, Ben Crowley, Naylor continued to raise funds and pour money into exploration work, convinced that somehow the riddle of the formation could be solved. After exhausting every apparent possibility in the search for ore, Mr. Naylor called upon H. B. Hatch.

Under former operators a long drive had been sent out to the south from the 700-ft. station. At a point about 70 ft. out from the shaft a water fault was encountered. Since the science of cementing such occurrences was not so well advanced at that time, the drive was shifted slightly to the right and continued on out beneath the swamp.

It was at this water fault, however, that Mr. Hatch decided to make the attack. A crosscut was started to the left and, about 20 ft. in, ran into a high grade ore body. In the first few rounds it had widened out to over 15 ft. with free gold in plentiful evidence across the entire width. The values showed up in a green carbonate formation known locally as Mariposite. Work was pushed rapidly forward until finally the shoot had been opened up for over 300 ft. with free gold showing at both ends.

Get Formation on 700

Since that time in the early summer, further exploration has revealed the existence of this body on the 450-ft. level while drilling below the 700-ft. horizon is stated to have picked up the formation 120 ft. farther down.

Prior to the opening of the high-grade shoot on the 700-ft. level, ore reserves were estimated at around 480,000 tons of indicated and positive ore. Late estimates on the new body are not yet available, but the management has regarded them to be of sufficient size to warrant erection of the 150-ton mill.

The property contains 16 claims in Ogden and Deloro townships about three miles south of the town of Timmins. A model community of dwellings and camp buildings has been erected.

Opens West End

Further exploration is planned now that the Mariposite formation on the 700-ft. level has supplied the key to what is believed to have possibilities. Diamond drilling is being carried out on what is known as "Porphyry Hill" on the company's property at a point about a mile west of the shaft and not far from a line directly south of the De Santis property.

Heartened by the success that has attended Naybob's development a good deal of drilling has been contracted for on neighboring properties, particularly the Thomas Ogden. A new company has taken over a group of claims a little southwest of the Naybob under the name of Wasu Porcupine and it is stated that extensive development is planned here upon what is believed to be a continuation of the Naybob formation.

The Naybob discovery is regarded, locally, as having thrown the west end of the camp as wide open, geologically, as did Pamour in the east end.

Mining Enquiries

Siscoe

I thank you for all the information you gave me regarding Siscoe Gold Mines. As I would like to lower the average of my holdings in this company, I am interested in buying more shares at the current price of $1.60. Before doing so, I would like to have your opinion.

If you do not like a stock you are holding, averaging-out is unlikely to be a wise policy. If your mind is made up that the time has arrived to sell a stock, the price you paid should not be considered.

Alameda Copper

Could you please give me information on Alameda and if it is a producing mine or not?

Alameda Mines has 22 copper-gold-zinc claims 15 miles west of Timmins, showing fair mineralization. A geological survey was made in 1937, but there does not seem to have been any activity at the property during 1938. So far as we can find there is no market for Alameda shares.

Yama Gold

Please supply us with a report on the investment possibilities of Yama Gold Mines.

Yama Gold Mines owns 33 claims in five groups in the Larder Lake area of Ontario. Extensive diamond drilling has been carried out and indicates at least five ore zones.

Exploration work has frequently come upon fairly high-grade spots, but, on the whole, this seems to be a large low-grade proposition, hence with profit margins narrow and requiring the utmost in technique and management for profitable operation. To date the real merit of that district has yet to be proved. Yama is understood to be considering a mill.

Powell-Rouyn

Would you kindly give me facts re Powell-Rouyn Gold Mines Ltd. Has any information been given as to the amount of reserves required before the company proposes to pay dividends?

Powell-Rouyn Gold Mines is a producing gold property adjoining Noranda to the north. Authorized capitalization is $1,500,000, of which there are $1,250,000 outstanding, par value $1. About 3,500 tons weekly are being shipped to Noranda smelters. Ore reserves are estimated at 1,311,577 tons. Further development work is giving very encouraging results. Net profit of $51,000 equal to 4.1 cents per share was realized in the seven months ended March 31, 1938. There does not seem to have been any official statement regarding the amount of reserves required before the company proposes to pay dividends. It is, however, in good hands and Noranda is a large shareholder.

Upper Canada Mines

Please advise what you think of an investment in Upper Canada Mines?

Upper Canada Mines is an interesting prospect and a 250-ton mill has been ordered. Until it is ready for operation the company has taken a six-month lease on the near-by Morris Kirkland mill. Recent development work very considerably enlarges the ore picture. The drift on the 500-foot level was extended for 110 feet and the company states is in high-grade ore for the full distance. The company is in capable and experienced hands.

Gunnar production for October totalled $53,144 from 4,562 tons milled for an average recovery of $11.96. This compared with $48,801 recovery for September for an average of $11.37. Since the mine got into production May, 1936, recovery has been $1,483,675. Development at the property proceeds satisfactorily and the company has $400,000 liquid surplus.

THE SMOKE OF THE BRITISH EMPIRE
The Tower Bridge
W.D & H.O. WILLS'
GOLD FLAKE
Cigarettes
Cork Tip OR PLAIN
POCKET TIN OF FIFTY · 55 CENTS

Mining Options

The following information has been supplied by the Toronto Stock Exchange, the Ontario Securities Commission, the Montreal Curb Market and the Manitoba Municipal and Public Utility Board.

Afton Mines—Final payment of $1,500 covering underwriting on 30,000 shares at 5c. received from L. C. Scott Sr., under agreement of Oct. 3. No further options or underwritings are outstanding. Issued capital is 2,120,000 shares.

Amm Gold Mines—A bonus of 104,000 shares was issued in consideration of a loan of $26,000 under offer of Oct. 17, whereby each lender of $1,000 would receive a bonus of 4,000 shares of stock. Further stock is to be issued as balance of the $30,000 loan is received by the company. Issued capital is 2,803,000 shares.

Bagamac Mines—Oct. 1 installment, on which a 30-day extension was granted, comprising option on 25,000 shares at 20c., under agreement with Belledith Ltd., of Aug. 2, has not been taken up and agreement has been terminated.

Connetricia Gold Mines—By agreement of Feb. 15, 1937, as amended Aug. 31, 1938, 950,000 shares were optioned to Pilot Securities Ltd., 200,000 shares at 7½c., payable by Feb. 20, 1939; 200,000 shares at 10c., payable by July 20, 1939; 100,000 shares at 12½c., payable by Nov. 20, 1939; balance at 15 to 50c., payable by Feb., 1941. By agreement of Sept. 30, 1938, said shares were reoptioned to A. Roy Brown at an increase of 2½c. per share payable 5 days prior to payments due under first-mentioned agreement. Company incorporated Dec., 1936; authorized capital 3,000,000 shares with 1,559,338 shares issued.

D'Ormont Gold Mines—On Oct. 26, 800,000 shares optioned W. D. Latimer, comprising blocks of 200,000 each at 3, 6, 9 and 12c. per share, payable at 10,000 shares per month. Company incorporated Feb., 1937; authorized capital 3,000,000 shares with 1,051,505 shares issued.

File Lake Gold Mines—On Oct. 27, 1938, 2,200,000 shares optioned to J. P. Gordon of Renfrew, Ont., as follows: 1,000,000 shares at 5c. payable 100,000 shares each calendar month, first payment to be made Dec. 22, 1938; 250,000 shares for $62,500 for period of 10 calendar months after taking up of first 1,000,000 shares; a second block of 250,000 shares optioned for $100,000 for period of 10 months after taking up of first block of 250,000 shares for $62,500; a third block of 250,000 shares optioned for $125,000 to be taken up within 10 months of taking up of second 250,000-share block; and 450,000 shares optioned for $270,000 to be taken up within 10 months of taking up of third block of 250,000 shares.

Hutchison Lake Gold Mines—Agreement of Sept. 28 with Alfred L. Kemp covering option on 550,000 shares at 10c. has been terminated.

Lapa Cadillac Gold Mines—Balance of Oct. 30 installment comprising underwriting on 108,250 shares at 40c. has been taken up by Sudbury Mines Ltd., under agreement of Aug. 19, next installment under agreement comprises underwriting on 32,810 shares at 40c. payable by Nov. 18. Issued capital is 3,765,625 shares.

Montague Gold Mines—A total of 6,000 shares have been issued at 10c. per share under agreements with consulting engineer and executive officers of the company. Issued capital is 1,474,555 shares.

Payore Gold Mines—Balance of Nov. 1 installment comprising option on 11,154 shares at 16c. has not been exercised by H. P. Pedden & Co., under agreement of May 27. Agreement will not be terminated until company has furnished optionee with 60 days' written notice of cancellation. No such notice has so far been given.

South Vermillion Gold Mines—Under agreement of Mar. 31, 1938, M. F. Burrows & Co., purchased 50,000 shares of a total of 292,814 shares optioned at 5 to 10c. per share and agreement has been terminated.

Straw Lake Beach Gold Mines—An additional 75,000 shares have been taken up at 8c. under agreement with Erben Securities Ltd. of Oct. 6. Balance of agreement comprises option on 25,000 shares at 8c. exercisable by Jan. 31 and 50,000 shares at 8c. exercisable by Feb. 28. Issued capital is 2,824,999 shares.

Thompson Cadillac Mining Corp.—Optionee, Federal Trading and Agency Co., has taken up and paid for 5,000 shares at 22½c. representing balance of block optioned at that price. In addition 20,000 shares were sold at 22c., bringing issued capital to 3,520,000 shares with 100,000 unissued shares remaining under option.

Wood Cadillac Mines—With consent of company, option on 100,000 shares at 20c. due Nov. 1, 1938, has been altered to a firm commitment, whereby optionee, C. A. Gentles & Co., undertakes to purchase 100,000 shares before Nov. 15, 1938.

HOW TO MAKE MONEY IN GOLD MINE STOCKS

There is only one sure way to make money in gold mine stocks: GET THE FACTS, BUY AND SELL ON FACTS. Each week we publish a Market Letter—the GOLD DIGEST—which gives all the important news and facts about all the important Canadian Golds—Seniors, Juniors and Prospects. The price of this valuable service — about which we have received a large number of unsolicited testimonial letters—is $5.00 a year.

FREE TRIAL SUBSCRIPTION

The GOLD DIGEST (News and Facts About Gold) will be sent for 5 weeks — without charge or obligation — to those who request it.

Crawford Wright & Company
197 BAY STREET, TORONTO, ONT.

An announcement of interest to shareholders of

DUMICO GOLD CORPORATION
DUPARQUET MINING CO., LTD.
HALLIWELL GOLD MINES, LTD.

The Presidents of Beattie Gold Mines, Limited, Halliwell Gold Mines, Limited, Dumico Gold Corporation and Duparquet Mining Company, Limited make the following official announcement:

"Beattie has bought 300,000 shares of Dumico from Halliwell and has taken an option on 1,000,000 more shares presently under option to Halliwell. Dumico, on its part, has agreed to call immediately a Meeting of its Shareholders to approve the giving of an option on its entire property and assets for 1 share of Beattie for each 2 shares of Dumico outstanding, this to run concurrently with the option taken on Dumico shares by Halliwell and transferred to Beattie.

"The shaft on the Dumico property is now down 750 feet. A station and crosscut at that point have passed through 18 feet of ore and assays have, so far, averaged from $9.00 to $10.00. The shaft has just entered this new ore zone and a great deal of work will be necessary before its size and importance can be determined.

"The operation will continue under the direction of David H. Angus, assisted by the technical staff of Beattie.

"It should be clearly understood that the option outlined above whereby Beattie shares may be exchanged for Dumico shares will only be exercised in the event that a body of ore of major importance is opened up.

"Duparquet holds 1,517,000 shares of Dumico equal to 1/3 of a share for each of its own shares outstanding."

JOHNSTON AND WARD
Head Office: THE ROYAL BANK BUILDING, MONTREAL
Members—Montreal Stock Exchange, Montreal Curb Market, Canadian Commodity Exchange, Inc.
Branches
Montreal, P.Q. Toronto, Ont. Kingston, Ont. London, Ont.
Halifax, N.S. Sydney, N.S. Moncton, N.B. Saint John, N.B.
Quebec, P.Q.
Toronto Branch: 330 Bay St.

Quebec Gold Output Rises

Valued at $22,537,566 for First 9 Months — From 29 Mines

Production of gold in Quebec for the first nine months of this year totalled 641,365 oz. valued at $22,537,566. Last year production for the first nine months was 516,916 oz..

In the 1938 period, production was obtained from 29 mines, a considerable part of it being obtained as a by-product of base metal recovery.

Results for nine months of 1938 are as follows:

Mines:	Ore treated tons	Gold content ounces	Value in Can. funds $
Arntfield	66,107	7,334	257,717
Beattie	451,500	50,911	1,789,013
Belleterre	10,036	2,197	77,203
Candn. Malartic	180,860	23,786	835,840
Cournor	50,665	5,525	194,149
Francoeur	10,235	1,409	49,512
Lamaque	291,997	96,269	3,382,893
Lake Rose	2,161	1,389	48,809
McWatters	27,972	8,802	309,302
O'Brien	42,023	31,925	1,121,845
Pan-Canadian .	6,052	655	23,017
Perron	92,096	26,545	932,791
Powell-Rouyn .	105,988	16,910	594,217
Shawkey	42,835	6,210	218,219
Sigma	164,083	36,878	1,295,893
Siscoe	161,192	52,303	1,837,927
Sladen-Malartic	72,468	12,357	434,225
Stadacona	117,073	15,909	559,042
Sullivan	40,747	15,885	558,199
Ten other mines	......	228,166	8,017,753
	......	641,365	22,537,566

Trail Smelter Receipts

Ore receipts at the Trail smelter of Consolidated Mining & Smelting Co., for the period Oct. 22 to 31, 1938, totalled 17,018 tons, of which 14,980 tons were from the company's own mines. Total receipts for the year to Oct. 31 are 530,091 tons, including 484,709 tons from company mines.

Chartered Accountants

L. J. ADAMS & CO.
Chartered Accountants
Dominion Bank Bldg.
REGINA - SASK.

STEMPEL and PATRICK
Chartered Accountants
SASKATOON and YORKTON
Sask.

RONALD GRIGGS & CO.
Chartered Accountants
WINNIPEG
SASKATOON

CHARTERED ACCOUNTANTS

RUTHERFORD WILLIAMSON & CO.
CHARTERED ACCOUNTANTS
RUTHERFORD WILLIAMSON, F.C.A. HAROLD A. SHIACH, F.C.A.
TORONTO, MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

SHARP, WOODLEY & CO.
CHARTERED ACCOUNTANTS
313 CONFEDERATION LIFE BLDG.
WINNIPEG, MAN.

J.P.LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
TORONTO
KIRKLAND LAKE
ONTARIO

McDonald, Currie & Co.
Chartered Accountants,
Licensed Trustees & Receivers
MONTREAL TORONTO QUEBEC OTTAWA

CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Hamilton—Ottawa
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

ROBERTSON, ROBINSON, McCANNELL & DICK
CHARTERED ACCOUNTANTS
D. H. McCANNELL — Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

Masecar, DeRoche & McMillan
Chartered Accountants
SASKATOON, SASK.

OSCAR HUDSON & CO.
CHARTERED ACCOUNTANTS
Head Office — 199 Bay St. — Toronto, Ont.
Telephone ADelaide 2381
Branches—London, Montreal, Windsor, Winnipeg, Vancouver

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
FEDERAL BUILDING
TORONTO
GALT
KITCHENER

Inco Earnings Show Increase

Net of 48c in 3rd Quarter Compares With 42c for 2nd Quarter

Net profit of $7,552,123 or 48 cents per share was earned by International Nickel Co. of Canada in the third quarter of 1938, after allowing for preferred dividends. This represented an increase over the $6,618,486 or 42 cents per share earned in the second quarter of this year, but is still considerably lower than the net of 86 cents per share earned in the third quarter of 1937.

For the first nine months of 1938, profit was equal to $1.56 per share compared with $2.57 per share a year ago.

The company's consolidated balance sheet as at Sept. 30, 1938, shows total current assets of $78,963,931 including cash of $39,584,574. Current liabilities amounted to $14,394,692, leaving working capital of $64,569,239.

In an accompanying letter to shareholders, Robert C. Stanley, chairman and president, reveals the development of a nickel-iron alloy "Invar" which has the property of neither expanding nor contracting over a considerable range in temperature, a property possessed by neither of the component metals.

Income and Surplus Account
Three Months Ended September 30

	1938 $	1937 $
Earns. from oper.	11,681,068	18,548,574
Less: Admin. & gen. exps.	374,457	423,514
Net oper. profit	11,306,611	18,125,060
Add: Other income ..	132,364	118,295
	11,438,975	18,243,355
Less: Deprec. & depl.	1,766,328	2,161,669
Inc. & franch. taxes	1,636,574	2,596,956
Retire. system & misc.	483,950	454,702
Net profit	7,552,123	13,030,028
Less appropriations:		
Preferred dividends.	483,475	483,475
Common dividends.	7,289,084	7,289,084
Surplus for period ...	*220,436	5,257,469
Add: Previous surplus	72,137,795	67,265,377
Less: Retire. res.	......	1,510,326
Balance forward	71,917,359	71,012,520

*Deficit.

Earns. per Share and Divd. Record:

	1938	1937
Common: Earned ..	$0.48	$0.86
Paid	0.50	0.50

BAGHDAD STARTS

Operations are under way at the property of Baghdad-Larder Mines, in the Larder Lake area, six miles north of Kerr Addison Gold Mines. Equipment was flown in last week and a crew of 12 men is now on the property reconditioning equipment preparatory to underground work. Previous operators sank a shaft to 515 ft. and carried out 5,000 ft. of lateral work on levels at 140, 250, 375 and 500 ft. At the 140-ft. level, a length of 90 ft. averaged $12 per ton. On the 250-ft. level, the ore length was 80 ft. averaging $18 while at the 500-ft. level the ore was stated to grade $9 per ton.

Mining News Concentrates

ALL "IN THE BAG"

Radium ore concentrates form a modern background for the family of Bear Lake tribe's chief who came down to the Eldorado camp for the last visit of the year. Note the tailor-made cigarette in the squaw's hand, a special luxury.

Commoil Ltd. has declared a dividend of four cents per share payable Nov. 29, 1938, to shareholders of record Nov. 17.

* * *

Darrell Gold Mines plans an extensive exploration programme at its property in the Uchi Lake area and supplies are being flown in to beat the freeze-up.

* * *

Devon Gold Mines is expected to make a mill decision shortly. Results of raising are stated to have confirmed drifting values.

* * *

Dome Mines is forming 3 million share company to take over C group of Chan Yellowknife which is to receive 750,000 shares. Chan C group comprises 24 claims at Pensive Lake, Northwest Territories. Surface exploration and diamond drilling are under way with three high-grade veins located. One shows $89.60 across 59 inches for 45 ft. and a second $140.27 across 13 inches for 68 ft.

* * *

Delwin Gold Mines has completed financing arrangements for diamond drilling its holding of 15 claims in Deloro twp., Porcupine area, Ont. A shaft has been sunk 135 ft. with lateral work at the 125-ft. level.

* * *

East Rouyn (Quebec) Ltd., has reached an understanding with a mining company for purchase and option agreement on shares. Increase in authorized capital from 2.5 to 3 million shares was approved by shareholders on Nov. 5.

* * *

Golden Gate is carrying out new drilling to test out an area 450 ft. north of the shaft. It is thought that this area possesses particularly important possibilities. The crosscut to the 405 ore body at the 600-ft. level has 60 ft. to go to reach its objective. Drifting on the 224 vein at the 200-ft. level has opened up about 130 ft. of good grade ore. Mill is treating about 55 tons daily.

* * *

Halliwell Gold Mines has applied for listing its shares on the Toronto Stock Exchange. Prior to resale of 350,000 shares of Dumico Gold Corporation, together with option on further shares, Halliwell had $100,000 in cash on call loan and a $50,000 inventory of supplies, equipment and plant. Sale price of the 350,000 Dumico shares was presumably higher than cost of 10 cents.

* * *

Kenecho Gold Mines plans to complete a series of diamond drill holes to a depth of 350 to 500 ft., at its property in the Schreiber area of Ontario. Sheared iron formations are to be tested rather than narrow veins originally explored.

* * *

Lapa Cadillac Gold Mines completed foundations for its cyanide building and equipment on November 1 with buildings expected to be completed in three weeks. Plant is now being assembled for installation. Operating costs are stated to be well under $4; in spite of treatment of low grade ore, low recovery with amalgamation, and a shortage of water keeping tonnage treated down to 200 tons, it is anticipated production will cover operating charges.

* * *

Lamaque Gold Mines shares were called for trading on the Toronto Stock Exchange last Monday. Ticker abbreviation is LMQ.

* * *

Moneta Porcupine net for the nine months ended Sept. 30, 1938, was equal to 14.3 cents per share.

* * *

Macassa Mines has declared an extra dividend of 5 cents per share payable along with the regular dividend of 5 cents on Dec. 15, 1938, to shareholders of record Nov. 30.

* * *

MacFarlane Long Lac Gold Mines is asking shareholders to approve sale of properties to new company, MacFarlane Consolidated Mines, at meeting on Nov. 12. Exchange basis is to be one new share for four old, with the right to subscribe for one new share at 5 cents for each two new shares received.

* * *

North West Minerals has called its annual meeting for Nov. 15. Balance sheet at May 31, 1938, shows current assets of $1,958 as against current liabilities of $2,161. Several groups of claims have been acquired in the Yellowknife, Lake Athabaska and Gordon Lake areas.

* * *

Paulore Gold Mines is contemplating diamond drilling its camp zone extended to a length of 450 ft.

Pioneer Gold Mines' production amounted to $160,000 in October with a profit of $93,000 before allowance for depreciation, taxes and depletion. Production and profit were unchanged from the previous month.

* * *

Paymaster Consolidated has declared a dividend of 1 cent per share payable Jan. 16, 1939, to shareholders of record Dec. 31, 1938.

* * *

Perron Gold Mines has dropped its option on adjoining property of Pascalis Gold Mines. It was decided relative position of Perron Gold Mines had been improved so much by development during the year, that it was not desirable to exercise the option.

* * *

Reward Mining Co. is expected to bring its new mill into production during first half of December. Sufficient ore for present milling requirements is stated to have been developed in Edye Pass workings to suffice until Surf Point mine is opened up.

* * *

Thompson-Lundmark Gold Mines is carrying on programme of diamond drilling on 46 claims, located 35 miles east of Yellowknife, Northwest Territories. Treasure Island vein shows a width of 25 ft. and length of 55 ft. The Kim vein is exposed at intervals for 1,250 ft. with 450 ft. averaging 0.878 oz. gold per ton over 25.8 inches. Second section ran 1.58 oz. over 12.2 inches for 125 ft. with remaining sections also showing values.

* * *

Woco Gold Development has secured three good intersections in zone 50 ft. north of zone 14. Values were $32.90 across 1.5 ft.; $17.80 over 2.5 ft.; and $14.45 over 3 ft. On zone 14, best value was 6 ft. of core averaging $40.35 per ton with other cores returning values up to $12.60 over 3.5 ft.

CRAVEN "A"
stand alone for smoothness
Your throat will appreciate the extra touch of quality in Craven 'A' cork-tipped cigarettes.
20 for 25c.
ALSO IN TINS 50 for 60c.
Same Price as in England.
C.A. 40
Made specially to prevent sore throats
CRAVEN PLAIN (Without Cork-Tip) SAME FINE QUALITY AS CRAVEN 'A'
in Green Packets 20 for 25c. Carreras Ltd., London, Eng.—150 years' reputation for quality.

West Shiningtree Camp is Active

Old Area to Produce Again When Ronda Mill Turns

From Our Own Correspondent

SUDBURY. — Extensive development programme has been started at Pirate Gold Mines, West Shiningtree area. Initial operations will consist of deepening the Kingston mine shaft to the 300-ft. level and drifting on the vein which showed high values in previous development.

British interests, which spent over $100,000 in originally opening up the Kingston, have thrown in their lot with the Pirate organization, and it is understood funds are available for an intensive programme.

West Shiningtree area is to become a gold producer after many years of varied experience, when the new mill of Ronda Gold Mines is started in December. The plant and other surface buildings are now nearing completion, all machinery has been purchased and is expected to be delivered shortly for the mill of 125 to 150 tons daily capacity. Hydro-electric power has been promised by December 1 and it is expected milling will be started shortly thereafter.

In the same area the Bilmac is reported to have completed construction of its new mill and is awaiting consummation of the financial setup. Bilmac has undergone considerable lateral development down to the 435-ft. level.

At the Lake Caswell Mines, it is stated, the roof of a large intrusive mass of the gold-bearing porphyry has been tapped and officials are encouraged by the latest development.

South of the Ronda Mines, one of the larger mining companies is understood to be sponsoring a campaign of diamond drilling on the Riel property, regarded as a good geological bet.

Mine Production Reports

TOBURN GOLD MINES

1938	Tons milled	Tons daily	Recov. per ton	Total recov.
September ..	4,390	146	$20.15	$88,469

BRALORNE MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	15,441	498	$20.29	$313,250
September .	15,172	506	19.95	302,750

SIGMA MINES (QUEBEC)

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	20,707	668	$7.85	$162,551
September .	19,918	664	7.76	154,565

STADACONA ROUYN MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	15,216	491	$5.66	$86,304
September .	15,280	509	4.83	73,779

SISCOE GOLD MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October ...	18,346	592	10.11	$185,551
September .	17,922	597	10.46	187,388

BUFFALO ANKERITE GOLD MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October ...	30,785	993	$7.19	$221,325
September .	29,812	994	8.40	250,602

NORTHERN EMPIRE MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
September .	4,885	163	$15.05	$73,541
August	5,387	174	14.02	75,503

MONETA PORCUPINE MINES

Quarter ended:	Tons milled	Tons daily	Recov. per ton	Total recov.
Sept. 30, 1938	13,639	148	$18.35	$250,257
June 30, 1938	12,905	142	18.49	238,598

DOME MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October ...	51,700	1,668	$11.92	$612,263
September .	50,100	1,670	12.16	609,190

STURGEON RIVER GOLD MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	....	...	....	$33,625
September .	2,271	76	$13.14	29,835

PAYMASTER CONSOLIDATED MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	17,181	554	$6.91	$118,600
September .	15,818	527	7.26	115,902

WENDIGO GOLD MINES

1938:	Tons Milled	Tons Daily	Recov. Per Ton	Total Recov.
October ..	2,920	94	$13.43	$39,230
September	2,860	95	10.00	28,579

MACASSA MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
Oct.	11,772	380	$15.19	$178,877
Sept.	9,946	332	15.37	152,841

SAND RIVER

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	3,242	105	$12.45	$40,355
September	3,094	103	13.45	41,730

CARIBOO GOLD QUARTZ

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	9,329	301	$11.89	$110,915
September	8,548	285	14.49	123,868

LAGUNA GOLD MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	2,743	88	$17.11	$46,928
September	2,679	89	17.76	47,579

SHEEP CREEK GOLD MINES

1938:	Tons milled	Tons daily	Recov. per ton	Total recov.
October	4,588	148	$16.75	$76,845
September	4,312	144	17.00	73,311

GONE IS THE AGE OF BREAKDOWNS

NICKEL ALLOYS
ARE STRONG, TOUGH, DURABLE

A GIANT BUCKET bites into the ground. A slim axle shoulders tons of earth. A slender derrick tosses steel and stone aloft. A whirling mixer vomits concrete. Under terrific stresses, strains, shocks and abrasion this equipment stands up, for its vital parts are made of Nickel Alloys. Wear and breakage played havoc with construction schedules not so many years ago. To make parts stronger they had to be made heavier.

Then came the age of Alloys, with Canadian Nickel as the chief alloying element. Today engineers measure in advance the strain each part must bear. They specify in advance those Nickel Alloys they know will stand up under the particular conditions. Equipment is lighter and more compact because of the unusual strength of Nickel Alloys, and their increased resistance to wear and corrosion.

And because Nickel Alloys perform better longer, the demand for Nickel in peaceful industry continues to grow. Every Canadian shares in the wealth the Nickel industry brings to Canada.

THE INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED
25 KING STREET WEST, TORONTO